

**DELIVERING THE GOODS: PUBLIC WORKS
FINANCING AND MANAGEMENT**

Contractor Document

**Regional Planning: Opportunities for
Infrastructure Development**

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by Campbell Associates

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Regional Planning: Opportunities for Infrastructure Development

Summary

This report examines multi-purpose regional planning organizations (often referred to as Regional Planning Associations or Council of Government) and the role they play in regional infrastructure decision making. This study was not intended as a comprehensive look at regional infrastructure planning nationwide, but rather was meant to assess the effect of certain local, state, and federal institutional and financial arrangements for infrastructure planning on regional infrastructure development. The report is based on a general review of regional planning in eight states and a detailed review of six regional planning agencies in various parts of the country¹.

In conducting the study, we were interested in learning what type of institutional capacity remains today in these organizations after the millions of federal dollars that were spent by these multi-purpose regional agencies on infrastructure planning during the mid-1960's to mid-1980's. Starting with one metropolitan planning program in the 1950's, federal support by 1979 came from as many as 39 different programs and accounted for as much as 76 percent of funding for all substate regional councils². One of the key issues explored in the study is the effect of federal funding cuts in planning programs during the 1980's on the infrastructure planning activities of these organizations. How have agency programs and technical capabilities

¹ This report draws on the following information: First, a general review of the literature and two case studies—Regional Planning Council of Baltimore, Md. (BRPC) and the North Central Texas COG(NCTCOG)—developed for an earlier, related OTA working paper on regional planning and included as Appendix B. Second, four case studies—Tampa Bay Regional Planning Commission(TERPC), San Diego Association of Governments(SANDAG), Maricopa Association of Governments(MAG), and Southeast Michigan Council of Governments (SEMCOG)—and a review of regional planning in Tennessee and Idaho were part of the research for this report. These reports are included in Appendix A. The eight states included are: California, Idaho, Arizona, Texas, Michigan, Tennessee, Florida, and Maryland.

² The Practice of State and Regional Planning, (Chicago: American Planning Association) Chapter 6, p. 143.

changed during the 1980's? What is the relative role of remaining federal programs in regional infrastructure planning?

Through the case studies, we tried to determine present state and local interest in regional infrastructure planning, generally, and in the multi-purpose planning agencies, specifically. In this regard, questions asked included: Do the state and local governments involved find these agencies to be effective in addressing regional infrastructure issues? How is regional infrastructure planning being supported and by whom (state, local, private)? How do other institutional arrangements (including state and federal program responsibilities) affect the activities of these organizations?

FINDINGS

We were aware that there would be a wide variation in the structure and performance of these organizations. We expected state and local support for regional planning generally and for these agencies in particular to vary considerably region by region. But we also anticipated finding common factors that would enable the identification of potential models of innovative regional planning or financing of infrastructure and that might also indicate new options for federal program requirements. The general findings of the study are summarized below:

1. Reductions in federal funds for regional planning have not meant an end to regional infrastructure planning or to the multi-purpose regional planning agency and there is evidence of renewed interest in regional solutions to infrastructure needs.

Cut backs in federal programs for regional planning were presumed to mean an end to an era of regionalism. Instead the loss of both planning and construction funds may be a factor in the current interest in regional solutions to infrastructure problems and may be forcing individual jurisdictions to take a more practical look at financing individual facilities. Today, in states as diverse as Florida and Michigan, the renewed interest in regional planning stems from growing environmental requirements and reduced federal funds. High, sustained rates of growth in a number of metropolitan areas, such as San Diego and Phoenix, have exacerbated these problems and made the need for transportation improvements visible to both local officials and their constituents.

2. However, it also is true that due to a lack of reliable funds all the agencies considered in the study have lost ground during the 1980's in planning for one or more infrastructure systems and that some elements of their respective comprehensive plans and data bases are now substantially out of date.

The key problems are maintaining technical capacity and retaining qualified staff. The primary reason for these difficulties is the lack of stable and regular funding for these activities,

especially environmental programs. All of the organizations studied have developed new sources of funding such as selling of technical services, user fees, and special member assessments. However, these new funds are often for one-time activities or have not proven to be adequate to maintain all basic planning activities for a given issue, much less for the full range of public works issues now facing most jurisdictions. Despite apparent increased state interest, total involvement of the state in the six case study agencies is generally under 30% of the agency budget and is as low as 9-10 percent.

3. The renewed interest in regional decision making does not mean that there is agreement among state and local officials as to who speaks for the region in planning infrastructure.

In the eight states considered, no one substate organization was designated by state government (for state or federal programs) as the lead in planning in all infrastructure areas. The multi-purpose regional planning agencies tend to be charged with comprehensive plan development and with coordination of federal and state projects, but functional planning responsibilities are scattered among a variety of agencies. There are many sound reasons for using a variety of agencies both to plan and to operate regional facilities. But whatever the reason, the result is that there are a variety of agencies that do functional infrastructure planning that may or may not relate to the local or regional bodies charged with comprehensive planning or to the broader goals of the region. The failure of functional plans to be tied to regional comprehensive plans was a key issue facing the Florida legislature in 1989 as it attempted to develop better growth management policies and programs to address a rapidly rising infrastructure deficit.

4. In terms of an agency's potential leadership role in the region, there appear to be three essential factors: the designation of the agency by the state or federal government as the lead agency on two or more infrastructure issues; strong local government participation in the planning program; and a reliable (annually) base of support to maintain core staff and technical capabilities.

In looking at the several case study agencies, we noted that regional agencies needed some official stamp of approval that gives them status (and, potentially, resources) in dealing with a particular issue whether it be regional transportation or sewage treatment. Thus, the designation as the lead agency for at least several state or federal planning programs is an important first step in developing credibility among the various local and regional agencies. Second, we found that where regional agencies pay attention to technical capabilities of their staff, local governments are far more interested in continuing to rely on the agency for a variety of purposes. In less populated regions, this regional staff plays an especially important role as support to local agencies that do not otherwise have the resources to hire specialized staff. Finding a reliable base of support to maintain these core capabilities has become a major issue for these organizations in the 1980's. Finally, it is clear that regional agencies that pay attention to local priorities and who seek to involve local officials actively in the decision-making process are more likely to be seen as regional leaders and to have the credibility to be able to serve as mediators in regional conflicts.

5. As neutral, non-taxing agencies, there are several valuable roles for regional agencies to play in addressing regional infrastructure issues that would be difficult for any general purpose jurisdiction or special purpose district to assume.

Chief among these roles is providing a neutral forum for local officials to come together on issues of regional significance. A step beyond neutral convenor is mediator among local governments, an increasingly important task for most of the case study agencies in such areas as renegotiating SIP commitments for the region and siting solid waste facilities. Another primary role as seen in all of the case studies is as a provider of technical support and regional data that would be impractical or too costly for most single jurisdictions to provide. A new role being assumed by some regional agencies is that of developing financing plans for both functional and comprehensive plans. Among the case studies, initial efforts in this direction are being made by SANDAG and BRPC and the state of Florida is pursuing these financing plans as part of its efforts to assure realistic growth management plans. The belief is that making financing options part of the planning process will ensure more careful attention to setting priorities among the projects (rather than compiling wish lists) and generally make the planning process more pragmatic.

OPTIONS

Based on the study's findings, several options for federal and state programs should be considered in order to enhance regional infrastructure decision making:

- *A stable source of funds for basic planning and coordination activities should be maintained as a part of all infrastructure programs -- loans and capital grants -- to ensure a sound decision making process.* The continuing and comprehensive transportation planning process of U.S. DOT's surface transportation programs has made coping with the serious transportation impacts of rapid growth much more manageable in many regions than it would be if plans were out of date and institutions and technical capability at the local and state level had been allowed to deteriorate. These funds are allocated on a formula basis through the states to designated agencies annually; additional grants for special studies also are made. A similar approach for other facilities would ensure better decision-making in all basic infrastructure development and provide for an equitable basis for planning all types of basic infrastructure.

Funds would be derived as a small, annual set aside (1 1/2 % has been used in other DOT and EPA programs, for instance) off the top of revolving loan funds or capital grant funds -- for all state and federal infrastructure programs. These funds could be dispensed to a variety of agencies to develop and maintain regional facilities plans that, at a minimum, would be tied to a regional comprehensive plan and would be developed by representatives of all affected governments in the

region. These funds also could be provided on a matching grant basis to serve as an incentive for local contributions or for local user fee assessments. A key difference between this approach and the current EPA 205 J program is that funds would be dispensed for continuing planning efforts, including maintaining relevant data bases, rather than as one-time project oriented grants.

● *Federal and state designations of program responsibilities should be made to agencies whose membership includes all the primary jurisdictions affected by the program and, to the extent consistent with program objectives, the responsibility for related infrastructure and land use planning.* State and federal agencies should carefully weigh the consequences of designations of local and regional planning responsibility to try to achieve appropriate geographic boundaries, more consistency in designations between infrastructure programs, and clearer links between comprehensive and functional plans. For example, an incentive payment (or varying levels of match) could be used to encourage MPO's being established at the level of Metropolitan Statistical Area. Some states have encouraged single county MPO designations even when several counties form the core metropolitan region. This has resulted in multiple MPO's planning for one functional region such as in Tampa Bay where four MPO's plan in the same region as the TBRPC. It also has separated the more stable annual resources of the MPOs from many comprehensive planning activities so that both appear to suffer and duplication of effort occurs.

● *Encourage functional planning to be tied to comprehensive plans and for both to have related financing plans for proposed infrastructure* to ensure a more realistic program and to help establish priorities for regional infrastructure at the outset. This could be one of the criteria established under the basic planning support program outlined in the first option. The current trend toward functional and comprehensive plans linked to financing plans noted in the case studies should be encouraged. This effort provides a more realistic framework for decision making at all levels and implementation problems will surface at an earlier stage when they can be dealt with more effectively.

● *Encourage states to incorporate regional infrastructure priorities in their capital budgets and in grant requests to the federal government.* In the process of reviewing state activities, it was determined that the state budgeting process and the regional planning process are often not in accord with each other. These schedule discrepancies should be modified to ensure full consideration of regional proposals rather than regional proposals being developed as rubber stamps to state agency budgets.

Background

The debates occurring in many 1989 legislative sessions across the U.S. (Texas, California, Florida, Tennessee, Arizona, Maine and Georgia as examples) reflect state officials' growing interest in establishing regional forums for consideration of infrastructure needs. Two reasons for this renewed interest in regional planning exist. First, many infrastructure needs extend beyond the boundaries of any single jurisdiction and secondly, infrastructure deficits are growing in many areas. These needs have been generated by changing demographics and land-use patterns and by additional environmental requirements. Sustained, rapid population growth in many areas has greatly increased the need for new facilities in many metropolitan areas and the general population's awareness of present inadequacies. At the same time, federal funds for basic environmental facilities have decreased substantially. Apparently, traditional forms of governance do not adequately address these problems in many cases.

Traditionally, regional decision making occurs through various types of agencies: multi-purpose regional planning agencies in both rural and metropolitan areas (Regional Planning Association or Council of Governments) comprised mostly of local elected officials; special purpose regional agencies set up to either administer a specific federal-aid program or to provide specific services such as a water/sewer district; multi-state economic and/or river basin regions, also with fairly specific charters and certain powers that may include services as well as planning. While these latter two agencies do play a vital role in infrastructure development, they are not included in the study. The study focuses on the broader, multi-purpose planning agencies and how they might help states examine infrastructure needs more comprehensively and the mechanisms for planning and financing these needs.

In general, multi-purpose agencies have no specific governing authority or taxing power but usually are voluntary associations that focus on meeting intergovernmental needs for the coordination and planning of both infrastructure and social services. States frequently require the agencies to review federal and state projects to ensure they are consistent with state or regional plans. Even in states where regional agencies have been given more of a role by the state, few have veto authority over local plans. Most multi-purpose metropolitan agencies operate only a few services in the infrastructure area beyond the providing data, technical analysis, and ridesharing programs. In rural areas, the provision of transit services is fairly common and more emphasis is placed on packaging grants for members.

Historically, the primary role of the agencies, from the state officials' perspective, is to fulfill the planning and coordination requirements of various federal grant programs. Regional agencies are rarely granted zoning and subdivision powers. Federal programs generally have encouraged comprehensive and functional planning at the regional level, starting with one

7

metropolitan planning grant program in the 1950's and growing to 39 programs by 1979³. However, as the federal role has declined, the focus of these agencies has shifted to local priorities. Interestingly, many of the regional agencies studied for this report have demonstrated that local support for environmental planning in recent years has increased while federal planning funds in these areas have been curtailed. New support, however, is well below that previously provided by U.S. EPA programs.

Study Organization

The study effort began with a review of the various infrastructure planning activities being implemented at the regional level. The current level of state interest in and influence over such planning activities and the relationship between state agencies and the regional planning councils were both considered in the review. Four case studies of multipurpose regional planning agencies (COG's, regional planning councils or associations) were developed for this report. Additionally, a review was conducted of regional agencies' roles in infrastructure planning in Tennessee and Idaho, which included consideration of three regional planning bodies. However, documented case studies were not prepared for these three agencies.

The findings and conclusions included in the following section also draw heavily on a recent, related study for OTA incorporating two case studies of regional planning agencies and an overview of other regional agencies in six states. The six case studies included in both this report and the earlier study are summarized in Table I. The four detailed case study reports and the report on Tennessee and Idaho planning constitute Appendix A and the earlier report with its two case studies constitutes Appendix B accompanying this report. Appendix C contains bibliographical references and other source information.

Table I reflects the range of geographic areas (both size and location), program emphasis, and authority and membership the case study agencies represent. A review of demographic characteristics (see Table II below) in all eight states indicates some population and economic diversity among the areas studied as well. For example, during the 1980's several locales experienced tremendous economic and population growth. In contrast, two others are still experiencing some level of economic recession, while other regions have experienced rates of growth at or just below the national average. Among the demographic factors, rate of population growth is one of the few predictors of interest in regional infrastructure planning in a given area.

3 Ibid, p. 143

7

Table II: Demographic Profile 8 States Selected Counties

State/County	1986 Pop Per Sq. Mi	Pop. Change 1980-86	Per Cap Pers'l Income in 1984	% Change in Bank Deposits June 85/June 84	Hwys.% of direct gov't. expends. in 1982
United States	68.1	6.4	\$12,772.00	9	5.5
Arizona	28.9	22	\$10,561.00	13.3	5.9
Maricopa	208.2	25.9	\$11,734.00	14.7	5.1
California	172.6	14	\$14,470.00	5.1	3.7
San Diego	522.6	18.2	\$13,474.00	5.9	3
Florida	215.6	19.8	\$12,773.00	14.2	4.5
Hillsboro	736.8	19.9	\$11,526.00	19.2	3.6
Pine Hills	2911.1	11.9	\$14,601.00	4.8	5.6
Idaho	12.2	6.2	\$10,146.00	-0.3	8.5
Ada	184.2	12	\$12,341.00	-1.8	8.4
Maryland	453.7	5.8	\$14,443.00	20.8	8.5
Baltimore	1120.9	2.2	\$15,211.00	13.4	6.6
Michigan	160.6	-1.3	\$12,621.00	5.2	5.4
Wayne County	519.2	-7.4	\$12,303.00	4.2	3.5
Tennessee	116.7	4.6	\$10,400.00	8.9	6
Nashville	993.8	4.2	\$12,895.00	10	3.7
Blount	535	6.9	\$10,467.00	7.2	12.5
Texas	63.7	17.3	\$12,575.00	3.1	5.6
Dallas	2083.1	17.8	\$15,942.00	2.6	6.1
Tarrant	1269.1	28	\$14,332.00	9.2	6.8
For Comparison:					
Arlington, VA	6103.8	4	\$22,582.00	18.8	6.9

Counties represent major county in region considered.

Source: United States Dept. of Commerce, COUNTY AND CITY DATA BOOK, Tables: "Area and Population", "Personal Income and Farm Savings," "Banking, Federal Funds and Grants and Local Government Finance", "Local Government Finances, Government Employment, and Elections." (Washington: GPO, 1988) 237; 243; 248-249.

Activities in more rural states were reviewed as part of the two studies, but the case studies are all of urban planning agencies.

The following "Findings" and the "Conclusions" sections describe the effectiveness of these agencies in addressing regional infrastructure issues and the relative roles the federal government and the respective state and local governments play in that regard. Particular characteristics of these organizations such as demographics, structure, and authority that appear to bear upon the effectiveness of these organizations are also noted in the findings. The final "Options" section describes several possible changes to existing and future infrastructure programs that would improve the effectiveness of public investments in infrastructure planning and development.

Study Findings

1. Reductions in federal funds for regional planning have not meant an end to regional infrastructure planning or to the multi-purpose regional planning agency and there is evidence of renewed interest in regional solutions to infrastructure needs.

In the late 1960's and early 1970's, the push for regionalism came from the federal government and resulted in many federal programs providing grants to newly formed regional agencies to do both comprehensive planning and functional planning. Urban development and emerging interest in environmental issues were the focal points of the early efforts. Transportation planning became a major regional activity by the early 1970's especially in urban areas where concerns over the impacts of interstate highway construction were coming to a head.

Cut backs in federal programs for regional planning were presumed to mean an end to an era of regionalism. Instead the loss of both planning and construction funds may be a factor in the current interest in regional solutions to infrastructure problems and may be forcing individual jurisdictions to take a more practical look at financing individual facilities. Today, in states as diverse as Florida and Michigan, the renewed interest in regional planning stems from growing environmental requirements and reduced federal funds. Older urban areas such as Detroit, are faced with the deterioration of many infrastructure systems and the high costs associated with repair and replacement. High, sustained rates of growth in a number of metropolitan areas, such as San Diego and Phoenix, have exacerbated these problems and made the need for transportation improvements visible to both local officials and their constituents.

Legislative interest this spring on the role of regional plans in states ranging from California and Arizona to Georgia and Florida demonstrates broad concern that these issues have grown beyond the ability of individual jurisdictions to plan and finance. The high level of infrastructure deficits

across the country are forcing consideration of new approaches to planning, building, and financing public works.

All of the organizations studied experienced the need to downsize considerably in the wake of federal funding reductions. Many of these agencies have diversified since then and found new sources of funds to maintain some infrastructure planning activities previously funded by federal agencies. In the Detroit area, for example, SEMCOG has established a separate water quality planning and monitoring agency with annual support (about \$300,000) coming from user fees assessed the various water districts. These fees support ongoing staff activities and matching funds for federal 205 J grants. Among the organizations included in the study, many are more in tune with local constituents today than they were when they were more dependent on federal funds. One reason SEMCOG's water quality agency is successful, for example, is that the issue is a key one in the Detroit - Ann Arbor region.

It is also true that federal funds continue to be a significant source of funds for many regional planning agencies. The continuation of U.S. DOT highway and transit funds at a relatively high level has enabled those agencies that are also U. S. DOT designated recipients (Metropolitan Planning Organizations or MPOs) to maintain transportation planning activities. Some EPA funding continues to be received by regional agencies in occasional grants through the state administering agencies for air and water quality planning. Generally, however, the loss of direct funding from EPA and HUD is evident from the reduction of these programs for the six case study agencies. (Water quality at SEMCOG is an exception.)

U.S. DOT also allows use of MPO funds for related land-use planning and data collection and certain environmental analyses as well, with the result that regional planning agencies that also are MPO's generally have been better able to maintain land-use and environmental elements of their regional plans than have non-MPO agencies. Federal funding for these six agencies in 1989 ranged from 12% (the one non-MPO among the six) to almost 70%.

2. However, it also is true that due to a lack of reliable funds all the agencies considered in the study have lost ground during the 1980's in planning for one or more infrastructure systems and that some elements of their respective comprehensive plans and data bases are now substantially out of date.

The key problems are maintaining technical capacity and retaining qualified staff. The primary reason for these difficulties is lack of stable and regular funding for these activities, especially environmental programs. All of the organizations studied have developed new sources of funding such as selling of technical services, user fees, and special member assessments. However, these new funds are often for one-time activities or generally are not adequate to maintain all basic planning activities for a given issue, much less for the full range of public works issues now

facing most jurisdictions. Despite apparent increased state interest, total involvement of the state in the six case study agencies is generally under 30% of the agency budget and is as low as 9-10 percent.

A stable source of funds is needed to maintain quality staff and an adequate information base for regional planning and decision-making. As plans become more out-of-date, the ability to make informed decisions on regional infrastructure will be hampered.

3. The renewed interest in regional decision-making in infrastructure planning does not mean there is unanimity at the state or local level on the question of who speaks for the region in planning infrastructure.

In the states reviewed, no one substate organization has been designated by the state as the lead planning agency in all infrastructure areas. In most cases, multi-purpose regional planning agencies plan and coordinate federal and state projects and develop the comprehensive plan; but functional planning responsibilities are scattered among various regional agencies, including regional planning agencies. Most state agencies tend to have their own favored organizations-- special purpose districts, counties, or regional planning agencies-- to whom they would prefer to delegate program responsibilities. Legislatures often follow agency recommendations when establishing on-going responsibilities as part of legislation affecting substate areas. Local elected officials in the cases studied prefer to act independently or to have a visible role in the "regional" decision-making and, consequently, are not eager to have other jurisdictions (counties, for example) with competing interests or taxing authority take the lead. Some federal program guidelines encourage the use of specific types of agencies.

Discrepancies exist between how the various regions of the country view infrastructure issues and corresponding institutional arrangements. In Maryland, for example, counties are a strong unit of government and there are relatively few municipalities and special districts; in other states, municipalities and special districts are numerous. The supply of water on a broad regional basis in many western states has a long history and institutions that manage the allocation have very different powers than in eastern states, where water is more available and can often be obtained from individual sources rather than from regional or multi-state allocation. In Michigan, the State's Commerce Department, which administers an annual grant program for the state's designated regional agencies decided in the mid-1980's to develop new regional agencies that cover smaller geographic areas for certain economic development activities. However, most of the original regional planning agencies, such as SEMCOG, continue to be the eligible recipients for U.S. EDA funding. This split designation appears to work well in some areas, but creates overlap and diffusion of resources in others.

There are clearly many sound reasons for using a variety of agencies both to plan and to operate regional facilities. But, the consequence of these differing views on governance is that a variety of agencies develop functional infrastructure plans that may or may not relate to the local or regional bodies charged with doing comprehensive planning or to the broader goals of the region. Some of these functional planning agencies also use resources for general planning or data collection that are also the responsibility of the regional agency. The failure of functional plans to be tied to regional comprehensive plans was a key issue facing the Florida legislature in 1989 as it attempted to develop better growth management policies and programs to address a rapidly rising infrastructure deficit in a state with high, sustained rates of population growth.

4. Despite the enthusiasm in many quarters, limits on the acceptance of regional agencies by both state and local officials exist.

Historically, regional agencies have been suspected of attempting to become a fourth level of government. This notion especially irks municipalities, who often see counties as competition for local tax dollars, and don't want to add another tier. In some cases, such as Minneapolis/ St. Paul, the regional agency is an additional branch of government with a number of functions. Both municipalities and counties are wary of who will control regional organizations, whether they are single-purpose agencies, like a regional sewage district, or multi-purpose planning agencies. In the 1960's and 1970's, many regional planning agencies' plans were viewed as unrealistic and separated from the financial realities faced by local governments.

Another troubling issue for both states and localities is the lack of a defined role for the agency, when it is a multi-purpose planning agency. How plans are approved and the relationship of local plans to regional ones concerns all parties. Most state laws governing regional planning agencies anticipate such concerns by spelling out responsibilities and by directing that a majority of the board be locally elected officials. Nevertheless, a fair amount of flexibility is left to the governing board of the agency, regarding program content, which may provide opportunities for overlap of functions with localities or states. In the instance of the Baltimore Regional Planning Council and the Tampa Bay Regional Planning Council, the state mandates membership, includes governor's representatives, and requires coordination of local and regional plans. It may be coincidental, but local and state support for the two organizations appear to be less than the support the other four case study agencies, who are voluntary entities, receive.

In several of the cases considered in this study, state agencies welcomed the opportunity to have someone else responsible for local coordination (and the concomitant political heat). However, in Maryland, a geographically small state, state agency staff often see themselves as coordinators of

and planners for regional interests. Thus, the state bureaucracy generally is not pushing for regional decision making but rather state-local cooperation. Given the size of the state, orientation of the staff, and greater willingness of the state to fund infrastructure, this may be a good institutional arrangement. However, a survey of civic and local government leaders in the region indicates that a regionally based agency was needed in several roles. Such state orientation is not as prevalent in larger, more populous states.

5. The case studies highlighted a number of useful roles that multi-purpose regional planning agencies play in encouraging regional infrastructure decision-making.

Results of surveys done in four of the case studies in the last several years confirmed these roles which include:

• benevolent or neutral party to provide the forum for local officials on issues of regional significance.

These agencies are seen in many cases as neutral parties, because they have no competing taxing authority and often because they have established themselves over the years as being without bias on matters between member jurisdictions. The stature of the Executive Director and the staff's technical abilities influence the acceptance of the agency in this capacity.

• technical support to members and regionwide data.

Four of the six case study agencies have been the subject of evaluation surveys in the last several years. In all cases, public and private respondents view technical and data dissemination as one of the primary and most valuable responsibilities of the regional planning bodies. The provision of reliable demographic, economic, transportation and other regional data has proven to be a marketable service and a number of regional agencies are attempting to develop a reliable revenue stream from these services. SANDAG is one of the few organizations that has tried this and that has consistently realized a profit from the subsidiary organization. All employees of SANDAG also are Sourcepoint employees and work a portion of the time on Sourcepoint projects.

• conflict resolution on specific issues.

Several of the agencies studied have acted as mediators in regional controversies and there appears to be growing interest in regional agencies assuming this role. Last year, the North Central Texas COG (NCTCOG) successfully resolved air quality non-attainment issues within the region and achieved agreement on a revised SIP plan that avoided threatened sanctions by EPA. NCTCOG has served as the mediator in a number of disputes through the years, which have generally resulted in constructive plans that have been implemented. Florida's Department of Community Affairs is paying each of the eleven regional planning councils (RPC's) to develop a mediation process for resolving local disputes. However, there is little experience with these processes as yet. Both federal and state officials have pointed to their own interest in having the

regional agencies work out such disputes as highway corridor location and improvements, sewage consolidation, and air quality control measures.

• as provider of services and as financier of programs.

Traditionally, the regional agencies have provided services in such diverse areas as aging programs and ridesharing. Most of the case study agencies provide one or more services and these activities generally come about when members see the agency as being the more cost-effective option for the service or if the service requires a regional base (ridesharing).

A role for these agencies in financing projects is much less common and recently is being discussed in a number of states. Minneapolis-St. Paul, Minnesota, and Portland, Oregon, as regional providers of public works services as well as regional planners have had major financing roles. SANDAG has had responsibility for allocating special transit funds derived from the sales tax since 1972 (Transportation Development Act funds). Recently, SANDAG's role was greatly expanded when it became the administrator for funds generated for transportation projects from a county-wide one-half percent sales tax. The result of SANDAG's financing role is a planning process that leads directly to implementation. Regional Planning Council in Baltimore (RPC) is considering the development of a bonding program for regional public facilities. (While the process of allocating the sales tax seems to be going well in San Diego, SANDAG officials are well aware that this new authority may generate concern among local members about the growing powers and independence of the agency.)

• as regional public facilities planner.

Most of the agencies reviewed as part of the study and all six of the case studies have some form of comprehensive plan that includes elements such as land-use, transportation, environmental, economic, and open-space elements. These are required by many, but not all of the states. Extensive data bases are related to these elements. Some of these documents are purely policy and goal statements, while others are master land-use plans or physical plans. Some of the elements, such as transportation, are readily updated, other elements remain largely unchanged from six to 10 years ago. Several of these plans represent real regional priorities and their functional elements are regularly implemented by operating agencies, others are more compilations of local plans that do not provide any real guidance or establish priorities among regional interests.

In many instances, the lack of more specific policies or plans is intentional on the part of members who wish to keep the review authority of the regional agencies fairly narrow. While these traditional attitudes are changing as described above, this is not reflected in some of these plans that continue to be very general. The current debate in a number of state legislatures

(notably Texas, Georgia, and California) is how to make the regional land-use plans more effective in guiding growth and priorities for infrastructure. The debate is probably over due.

6. The organizational structure of these agencies is important, but it is not the only factor in the role these agencies play in their region.

Table I shows the variety of organizational characteristics existing among the six agencies. Within the six are both single and multiple county organizations; mandatory and voluntary memberships; and a variety of types of state support. In addition, the chart shows that there are agencies with the full range of infrastructure programs and agencies with narrower involvement. It does not adequately indicate the level of involvement in each of these areas and that varies a good deal agency by agency. The case studies in the Appendix provide detailed descriptions of programs.

In some cases, the level of involvement in a particular program is beyond the control of the agency. State designations of program responsibility are made for many reasons and the affected agencies may not even be aware of impending decisions. For example, the state designates the MPO. Agencies seeking a substantive role in transportation need to have the support of the state transportation agency or must appeal to the governor who is responsible for the designation under Title 23 U. S. Code. In other cases, the agency has consciously chosen to limit its role to a few key programs that reflect traditional local priorities. Several of the case study agencies, for example, are focused on physical planning that emphasizes transportation.

We noted no particular effect of the agency being a single or multi-county organization. For instance, while it might seem easier to coordinate and develop consensus with fewer jurisdictions, North Central Texas COG, which has over 200 members and involves 16 counties is assessed as one of the more effective agencies and it has a strong local base of support. The two single county agencies -- SANDAG and Maricopa Association of Government (MAG) -- are interesting because the obvious question is why not have the county perform the function. One answer is that the county is seen by municipalities as a competitor for tax base; another is leadership and history. Many of these organizations, such as MAG, were formed in the 1960's when the urbanized area boundary was smaller than the county. With time and, sometimes due to subsequent action by the Governor, these organizations were later expanded to be coterminous with the county. Where the head of the agency is a respected leader in the area on his own, there has been no movement to consolidate the functions with the respective county.

From our sample, there are three characteristics that are important to an agency developing a leadership ability: First, whether the agency is designated by the state as the lead agency on two or more infrastructure issues, including those related to federal programs. These

would include designation such as: comprehensive planning agent for the state, clearinghouse, MPO, water quality and air quality planning, economic development district, solid waste and hazardous waste planning. The most important of these is the MPO because of the importance of transportation to regional infrastructure concerns and because of the stable source of funds it provides.

Second, active local participation in the agency's programs and governance is essential. It is clear that regional agencies that pay attention to local priorities and who seek to involve local officials actively in the decision-making process are more likely to be seen as regional leaders and to have the credibility to be able to serve as mediators in regional conflicts. If the agency has mandatory or voluntary membership may not be so important, but from our case study review, it does appear that when states require and set membership, it does not guarantee local support. The range of membership orientation is shown below in Chart I.

Third, is the question of some reliable base of financial support to maintain core staff and capabilities. This has become more important since the demise of so many federal funding programs that together provided the necessary overhead for general agency activities. In the environmental area, requirements have continued to grow, but funding for planning and administration continues to decline. Without strong technical capabilities, the utility of these agencies for their local members is limited. In less populated regions, this regional staff plays an especially important role as support to local agencies that do not otherwise have the resources to hire specialized staff. Finding a reliable base of support to maintain these core capabilities has become a major issue for these organizations in the 1980's.

Other factors that do seem to contribute to regional leadership on infrastructure issues include:

- certain demographic factors such as growth rates have exacerbated existing infrastructure problems and increased the infrastructure deficit for the area. as shown in Table II, in four of the case studies SANDAG, MAG, TBRPC, and NCTCOG high rates of population growth promoted greater awareness of the need to find new ways to address the deficit and balance growth and its effects.
- environmental or economic health of the region can set the regional infrastructure agenda and force changes in local priorities. In the case of Arizona and California, air quality is becoming a dominant regional issue that is shaping other discussions on infrastructure and growth management. While in Michigan, water quality and waste management are important issues with economic implications in a state just recovering from a long economic recession.
- leadership is clearly important to keeping the agency at the table when there is no structural reason (for example, designation by the state) to include them. Several of the case study agencies have enjoyed a long period of being headed by a person who has been a respected presence in the region and who is skilled in recognizing the priorities of the members and in bringing them on-board, when this is needed. Through creative leadership a number of these organizations have developed local sources of funding for

Chart I
Type of Regional Agency under State Law

Local Membership Required by State Law	Voluntary with Incentives	Voluntary with Boundaries Established by State	Voluntary
1. Maryland - For three regional councils, one of which has dues mandated. State support through annual appropriation. 2. Florida - all regional councils (11) have mandatory membership. State provides support through grants for services.	1. Texas - State Law established 24 regional councils and annual appropriation for general activities. Membership is voluntary. Gov. sets boundaries. 2. Tennessee - 9 development districts, established by state law. Receive small annual appropriation. 3. Michigan - 14 regional planning agencies. Each receives small annual grant for general planning and larger amount for transportation planning.	1. Idaho - 6 regional planning districts established by governor, but agencies formed voluntarily. No regular state support. Major state designation is as EDA's development district. 2. Arizona - Governor established 6 regional planning districts, but agencies formed voluntarily.	1. California - not all of state has regional agencies, but state has given such agencies substantial designations.

activities previously funded by HUD and EPA and have retained the confidence of local members.

7. Federal and state designations for planning and coordination have sometimes promoted inefficiencies by using multiple agencies and not requiring better coordination between comprehensive land-use plans and functional plan.

Within U.S. DOT, UMTA and FHWA encourage MPO's to do transportation planning within the context of local and regional land use plans and they have linked their urban planning programs and primary recipients; however some states have chosen to designate multiple MPOs in one metropolitan area and to keep them separate from other urban planning organizations. Also within U.S. DOT grants from FAA for urban facilities go to a much wider variety of recipients and do not require coordination with the local plans or agencies funded by its sister organizations (UMTA or FHWA). The result can be major airport developments without appropriate ground transportation facilities. The lack of ties in some states between economic development and environmental programs results in conflicts in both planning and capital improvements.

While it is unrealistic to assume one regional agency can do everything, it is important to consider carefully the relationships of the various designees and to encourage collaboration. Those agencies that have successfully linked comprehensive and functional planning are on much firmer ground to help local jurisdictions begin to set priorities among the various types of projects that are competing for limited infrastructure dollars. The impacts of growth management, of increasing environmental requirements, and the necessary trade-offs between the environment and economic development, can not be well understood at the regional level without this broad-based examination. Unlike the 1970's, public resources are no longer adequate to allow planning funds to be spread around and to fund overlapping agencies.

8. State and regional budgeting and programming processes are often not organized so that there can be effective regional input in the state budget.

It is important that state agencies should consider in their annual budget process the capital investment priorities established through regional planning processes. Instead staff at agencies in a number of states indicated that regional program development (especially for transportation) often occurs after state budgets have been presented to the legislature. In the case of federally funded programs, the discrepancies sometimes occur because of the differences between the federal fiscal years and state funding cycles.

CONCLUSIONS

1. There is no single governance mechanism that assures efficient development of regional infrastructure. There are many good reasons to use a variety of agencies for planning and operating various types of facilities, whether it be county government, special districts, or comprehensive planning agencies. However, there needs to be some means of tying the various efforts together into a coherent public facility plan for the region that can be financed equitably and that avoids costly and time-consuming duplication of effort, or piecemeal decision-making.

2. There is no single type of comprehensive regional planning organization that can be assumed to provide the necessary coordination and leadership for effective regional infrastructure planning. Of the agencies examined certain characteristics of an organization seem to account for its success in exerting leadership in infrastructure issues, but the mix is different state by state, organization by organization. A key element in the effectiveness of the organizations observed is leadership ability of the director and this can not be mandated.

3. The role of the state in providing incentives to local governments to participate in regional planning also is important. Incentives include designation of a regional agency for comprehensive and functional planning responsibilities, some base level of funding, and incorporation of regional priorities in state capital budgets and grant programs, where these exist. The important incentive of financing on a regional basis can be seen in SANDAG, which has been designated by the state as the administrator of two transportation funds financed with sales tax revenue. While many agencies reviewed are looking to financing as a possible role for regional agencies (like consolidated procurement, a few years ago), few have been able to assume such a key role.

4. The infrastructure deficit facing most local and state governments considered in this study is of such magnitude that there is real interest at all levels in finding new ways to plan, to set priorities, and to finance the needed improvements. However, even when new local sources of funds have been agreed to to finance improvements, such as transportation funding in Phoenix and San Diego, these new sources are not proving adequate to meet all identified or even priority needs.

Nor have new local sources of funds for planning and maintaining technical capabilities proven to be adequate to meet planning needs, particularly long-term planning in the environmental areas. The case studies, however, offer some promising mechanisms to improve local program funding. The user fee approach to water quality planning in Detroit and the type of subsidiary service organization developed by SANDAG are worth more consideration by other agencies. Whether these approaches would prove to be adequate to meet all basic planning needs, however, is unclear. The lack of resources for other environmental planning efforts at both these organizations does indicate that there would still be a shortfall. The question of providing adequate, reliable funding on an annual basis for planning of all infrastructure deserves more consideration to ensure an

effective planning process that leads to better decision making, including the setting of priorities for scarce resources.

Options for More Effective Regional Planning

Based on the above findings, several options for federal and state programs should be considered in order to enhance regional infrastructure decision making:

- *A stable source of funds for basic planning and coordination activities should be maintained as a part of all basic infrastructure programs -- loans and capital grants -- to ensure a sound decision making process.* The continuing and comprehensive transportation planning process of U.S. DOT's surface transportation programs has made coping with the serious transportation impacts of rapid growth much more manageable in many regions than it would be if plans were out of date and institutions and technical capability at the local and state level had been allowed to deteriorate. These funds are allocated on a formula basis through the states to designated agencies annually; additional grants for special studies also are made. A similar approach for other facilities would ensure better decision-making in all basic infrastructure development and provide for an equitable basis for planning all types of basic infrastructure.

Funds would be derived as a small, annual set aside (1 1/2 % has been used in other DOT and EPA programs, for instance) off the top of revolving loan funds or capital grant funds -- for all state and federal infrastructure programs. These funds could be dispensed to a variety of agencies to develop and maintain regional facilities plans that, at a minimum, would be tied to a regional comprehensive plan and would be developed by representatives of all affected governments in the region. These funds also could be provided on a matching grant basis to serve as an incentive for local contributions or for local user fee assessments. A key difference between this approach and the current EPA 205 J program is that funds would be dispensed for continuing planning efforts, including maintaining relevant data bases, rather than as one-time project oriented grants.

- *Federal and state designations of planning responsibilities should be made to agencies whose membership includes all the primary jurisdictions affected by the program and, to the extent consistent with program objectives, the responsibility for related infrastructure and land use planning.* State and federal agencies should carefully weigh the consequences of designations of local and regional planning responsibility to try to achieve appropriate geographic boundaries, more consistency in designations between infrastructure programs, and clearer links between comprehensive and functional plans. For example, an incentive payment (or varying levels of match) could be used to encourage MPO's being established at the level of Metropolitan Statistical

Area. Some states have encouraged single county MPO designations even when several counties form the core metropolitan region. This has resulted in multiple MPO's planning for one functional region such as in Tampa Bay where four MPO's plan in the same region as the TBRPC. It also has separated the more stable annual resources of the MPOs from many comprehensive planning activities so that both appear to suffer and duplication of effort occurs.

• *Encourage functional planning to be tied to comprehensive plans and for both to have related financing plans for proposed infrastructure* to ensure a more realistic program and to help establish priorities for regional infrastructure at the outset. This could be one of the criteria established under the basic planning support program outlined in the first option. The current trend toward functional and comprehensive plans linked to financing plans noted in the case studies should be encouraged. This effort provides a more realistic framework for decision making at all levels and implementation problems will surface at an earlier stage when they can be dealt with more effectively.

• *Encourage states to incorporate regional infrastructure priorities in their capital budgets and in grant requests to the federal government.* In the process of reviewing state activities, it was determined that the state budgeting process and the regional planning process are often not in accord with each other. These schedule discrepancies should be modified to ensure full consideration of regional proposals rather than regional proposals being developed as rubber stamps to state agency budgets.

APPENDIX A *

TAMPA BAY REGIONAL PLANNING COMMISSION	A-1
SAN DIEGO ASSOCIATION OF GOVERNMENTS	A-2
SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS	A-3
MARICOPA ASSOCIATION OF GOVERNMENTS	A-4
SUMMARY OF REGIONAL PLANNING IN IDAHO AND TENNESSEE	A-5

** Research for OTA Contract L3-1860*

TAMPA BAY REGIONAL PLANNING COMMISSION (TBRPC)

APPENDIX A - 1

Tampa Bay Regional Planning Council (TBRPC)

Summary of Findings:

- Responding to concerns regarding rapid growth and inadequate infrastructure, Florida has established planning and development review requirements at the state, regional, and local level. These efforts, however, seem to have a minor impact on infrastructure investments, particularly transportation.
- Eleven Regional Planning Councils (RPCs) were designated as an arm of state government in 1980, when membership in the RPCs was mandated. Even though the RPCs have been given a vital role in the review of major developments, state agencies frequently by-pass RPCs in delegating authority for functional planning and development. Only one of eleven regional planning councils is the MPO for its region.
- The Florida Transportation Act¹ gives the urban counties a key role in transportation. Most of the twenty-one MPOs are organized along county boundaries. State legislation also has granted counties four mechanisms for financing transportation investments, both highway and transit facilities.
- The State requires that public facilities be available when the development goes on line. Currently, this requirement is being challenged by the private sector and by localities who fear they lack the resources necessary to fund such improvements without guarantees of financial assistance from the State. The governor is seeking ways to link growth management policies to transportation programming.
- The TBRPC plays a minimal role in infrastructure planning. Transportation decisions in the region are usually made by the Florida Department of Transportation (FDOT) and the four MPO's designated in the Tampa Bay area. Siting of other major public facilities is generally determined by counties and municipalities.
- The TBRPC derives most of its financial support from local contributions and contracts. Federal funds account for only 13 % of its 1989 budget--the lowest of the agencies studied.
- The TBRPC has taken a leadership position in the area of non-point source pollution and coastal zone management through the establishment of a subsidiary organization called the Agency on Bay Management.

TBRPC in Context

Since the early 1970's, the regional planning councils have been involved in reviewing major developments, called Developments of Regional Impacts (DRI). Legislative initiatives, beginning in 1980 with the State and Regional Planning Act, instituted these requirements and the related processes and have placed the RPCs in a key oversight role.

¹ 1988 Supplement to Florida Statutes, 339.175: (20) (a); 1987.

This legislation reflects broad concern at both the state and local level for the impact of growth on infrastructure needs. Under the Act and subsequent legislation, the State and the eleven regions developed comprehensive policy plans. Currently, local comprehensive plans by counties and cities are being implemented. The counties and cities will develop their plans to be consistent with the regional and state plans. Making regional plans consistent is difficult because the state and regional plans format is divided into 75 policy clusters, while the local plans focus on 11 elements.

The comprehensive planning process and the development review process, theoretically, provide the 11 regional planning councils the opportunity to influence infrastructure decisions. However, coordination and planning of solid waste, water quality, and transportation facilities now generally occur through other regional entities or the involved state agency. During the 1970's, the RPCs were designated by the state to carry out the federally funded functional planning for water quality (208), air quality, solid waste and to conduct some major transportation studies.

In terms of transportation, the major regional actor is the MPO. Only one MPO is the designated RPC. Several RPC's are linked with MPOs through staffing and service contracts, but in other regions, the interaction of these two state-sponsored organizations is minimal. After the State transportation planning act passed in the early 1970's, the State organized most of the 21 MPO's within county boundaries. Membership was established by Governor's Order and is limited to 15. The affected counties are assured of 33 % of the voting membership.² The legislature also has established four different local option gas and sales taxes imposed at the county level to fund highway and transit projects. All but one of these levies must be approved by a majority of voters by referendum.

State funding for the RPC planning activities fluctuates each year and is limited to grants from DCA for specific services, such as serving as the clearinghouse for review of federal and state projects, monitoring the DRI process, and providing mediation services for local disputes. In 1988, DCA provided additional funding for the RPCs to staff local hazardous materials planning. Funding for the actual DRI reviews comes from applicant fees, which are authorized by State law.

TBRPC: The Organization

² Ibid. 339.175 (2) (a)

TBRPC, formed in 1962, was originally comprised of Bay area cities with counties joining several years later. With the passage of the State and Regional Planning Act in 1980, the Council became a quasi-state agency encompassing four counties. Florida's governor now appoints one-third of the 30 board members, and membership of counties and municipalities is mandatory. The Council created the Agency on Bay Management in 1985, a coalition of representatives of 40 representative from business, education, environmental and federal, state, and local government who lead preservation activities for Tampa Bay.

OVERVIEW OF TBRPC'S ROLE IN THE REGION

The Council is the designated clearinghouse for the area's state and federal projects. Implementing the State's growth management policies among the region's 43 local governments is the Council's primary function. The Comprehensive Regional Policy Plan (developed in 1986) and adopted by the Legislature in 1987 assists in the implementation of these policies. The policy plan guides the development of local comprehensive and land-use plans. The Council also offers local citizens several social service programs. Its primary source of federal funds is from the operation of the Area Agency on Aging.

In the area of infrastructure, the Council identifies public facility needs related to proposed developments as part of the state-mandated DRI process. Local governments must take the TBRPC's assessment of the impacts of these developments into account when formulating policies and requirements related to these projects. Such requirements may include additional provisions for adequate roads and water and sewer facilities. Presently, the Council produces few functional infrastructure plans.

TRANSPORTATION PLANS AND PROGRAMS

In the 1960's and early 1970's, the Council conducted major highway, transit and airport studies for the region. Today, TBRPC has only a minor role in formulating transportation plans or programs. Instead the FDOT District 7 staff and the four MPO's have assumed most of the work load.

The Council, like other RPC's, has been given two roles in transportation by recent legislation : 1) to develop the transportation element of the Regional Comprehensive Policy Plan; 2) to act as an advisor to the High Speed Rail Commission. The regional comprehensive plan is used in both the DRI reviews and in the review of state and federally funded projects performed in the Council's Clearinghouse role. The legislation authorizing planning for a high-speed rail system (linking Dade

County, Tampa and Orlando) specified that the affected RPC's serve as advisors to the Commission. The extent of this role and its impact on the project is unclear.

ENVIRONMENTAL PROGRAMS AND PLANS

Recently, TBRPC's participation in environmental projects has been more extensive than in the area of transportation. As the clearinghouse, the Council reviews those environmental projects receiving state and federal funding. While reviewing DRIs, the Council has an opportunity to assess the adequacy of public facilities such as water, sewer and solid waste.

In addition to these basic functions, TBRPC has focused the region's attention on the condition and importance of Tampa Bay. Through the Council's Agency on Bay Management (ABM), the Council has influenced the plans for wastewater facilities discharging in the Bay and for local non-point source facilities and strategies. It is also credited with influencing legislation to protect major bodies of water in the state, with Tampa Bay being named a priority. Through the ABM, the Council does receive some grants from the EPA funded 205J program. Under its contract with the DCA, the Council is also developing a regional hazardous materials plan.

In the 1970's, TBRPC was designated by the state as the 208 water quality planning agency and acted as the chief agency in preparing the region's portion of the State Implementation Plan for Air Quality. Also in the 1970's, the Council prepared the Regional Solid Waste Resource Recovery Plan that has guided the development of resource recovery facilities in the region. Today the Council has few resources to update or monitor implementation of these plans.

Operation and funding of most environmental facilities occurs at the county and municipal level, as well as through special sewer districts. It appears that there are few funds for these facilities at the state level. The Southwest Florida Water Management District manages the water allocation and storm water run-off programs.

ADDITIONAL PROGRAMS AND SERVICES

Like other RPC's, the Council is authorized under state law³ to serve as a mediator to resolve multi-jurisdictional conflicts in the region. The mediation process has been established, yet to date, no local governments have sought to avail themselves of the service.

³ Florida Statutes, 186.509; Florida Administration Code, 29H-11

TBRPC'S BUDGET

The Council employs approximately 48 people. Costs for personnel services account for about 57% of the budget. Unlike other regional agencies considered in this study, the TBRPC relies on dues and contract revenues from its members for funding. In the last several years, Federal funds have averaged less than 20% of the Council's budget. The percentage of federal funds received by the Council is by far the lowest among the organizations considered in this study. In 1980, the reverse was true and over 70% of the Council's budget came from federal funds, primarily HUD 701.

Of the total forecast budget of \$2.7 million this fiscal year, the percentage of federal funds is estimated at less than 13 percent. The Health and Human Services funding for the Aging program has provided most of the money. State contracts account for almost 22 percent, while local contracts, fees and dues provide over 55% of the budget. Other revenues including local in-kind services constitute approximately 11% of TBRPC's budget.

Assessing the Situation

1. To what degree does the agency show leadership in the region?

In a recent survey, the Council received moderate to low ratings in the skills described as "leadership effectiveness" and "ability to direct activities." Council members, local and state officials, local planning agencies' staff, and representatives from the private sector participated in the survey. While the 21 Council members responding gave these qualities an 89 % positive score and the six state government staff rated them 83 and 67 %, respectively, the other 135 respondents rated the two skills in the 29 to 77 % range. Compared to the other six groups responding to the survey, council members and state staff gave consistently higher scores to these two skills and the six other categories.

A review of infrastructure programs calls into question TBRPC's leadership and level of activity in these areas generally. However, in the area of water quality, the Council realized that a void existed and filled it through a major regional study of Tampa Bay's condition and the formation of an agency to address identified problems, including related infrastructure needs.

2. What effect does financing of agency activities have on priority setting?

Agency literature and staff emphasize various roles for TBRPC in infrastructure planning and decision making. However, today the agency plays a minimal and somewhat sporadic role. This probably due to the lack of money available for these programs. There is both state and local funds for DRI reviews and this appears to be the agency's main focus.

The lack of funding for transportation planning leaves the Council dependent on coordination with, and assistance from, the four MPOs. Whether TBRPC, like many regional agencies considered in this study, would use MPO funding for maintaining planning and analysis capability in other related areas such as air quality and land-use is not clear because it is not an option. Presently there appears to be no other local or state source.

There is some concern among State staff that the dependence of many of the RPCs, such as TBRPC, on local funds minimizes the RPCs' objectivity. For example, DCA staff note that fewer than 50 % of the local comprehensive plans submitted to the agency by May of 1989 are in compliance; the RPCs found 95 % of these adequate. With regard to TBRPC, the effect of such local funding on policies is not clear.

Like other regional agencies included in this study, the need to develop internal sources of income, has motivated the agency to develop and market its information services and publications. It provides printing services to a number of organizations and sells regional data to a variety of organizations.

3. HOW receptive is the State to regional decision making?

Since the 1970's the State has shown a strong interest in regional decision making in infrastructure development. It uses a variety of agencies to achieve its infrastructure goals. For example, it uses counties for transportation, water management districts for water quality, and the regional planning councils for land use and hazardous materials planning. The designations usually follow functional planning responsibilities of state agencies.

Presently, controversy exists over how to make regional and local functional planning more responsive to Florida growth management policies. One factor influencing policy making in this area is the perception that there is a major statewide infrastructure deficit, with the key area being transportation. Legislation proposed by the governor focuses on bringing transportation programming in line with land-use plans. The Executive's proposal assumes that effective urban planning, which encourages compact development rather than sprawl, would reduce the deficit in

basic facilities. Others want to find new revenue sources. When the legislature adjourns in June, there may be new institutional arrangements between the state and regional levels pertaining to these issues, particularly in the major urbanized areas.

4. Are perceptions of infrastructure needs for the State or region affecting the state's view of these agencies?

Yes, the growth management/ infrastructure deficit problem is accepted as a serious political issue in Florida and throughout the 1980's, the governor and the legislature have looked to the RPC's for help in gaining control of the problem. In the 1989 legislative session, in addition to the Governor's bill (cited above), there are several other bills related to RPCs and enhanced capability that tie the regional comprehensive plans and DRI reviews to public facility plans and improvements.

SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG)

APPENDIX A - 2

San Diego Association of Governments (SANDAG) Case Study

Summary of Findings

The review of the SANDAG organization reflects the following points:

- Growth and growth management are key issues at both the state and regional level. The effects of sustained, rapid population growth -- increasing transportation demands and environmental problems -- are receiving a great deal of attention in California.
- California tends to delegate planning functions to a variety of sub-state agencies, most often using county governments as its agent. However, the state uses individual regional planning agencies for some key programs and delegates certain responsibilities (for example, the Clearinghouse function) to regional agencies in areas where these agencies exist.
- SANDAG traditionally has focused on transportation in part because it receives regular funding from the state and the federal government for transportation planning. Another is the rapid and sustained population growth of San Diego County since 1966 (when SANDAG was formed), which has centered political attention on traffic congestion, the most visible problem with growth.
- SANDAG has been granted a significant role in transportation financing by the State that results in its planning process producing meaningful proposals that are implemented.
- The agency is in the process of developing consensus among the local jurisdictions on which public facilities are truly regional and establishing a plan to finance these.
- In response to federal budget cuts in federal programs supporting infrastructure planning (HUD and EPA), SANDAG has used its transportation planning funds to maintain regional data and planning in public works areas other than transportation. SANDAG has aggressively marketed its services to develop its own sources of revenue and has established other local funding sources.

SANDAG In Context

Infrastructure planning in California is accomplished through a variety of agencies at the state, municipal, county, regional, and special district level. California has no law mandating a comprehensive infrastructure plan, but it does require each county and municipality to have a general development plan. Since the early 1970's the State has established a number of planning requirements in various environmental and infrastructure areas. These include transit and highway planning, growth management, solid and hazardous waste, open space, and air and water quality.

Unlike other states (such as Texas, Florida, Tennessee, and Idaho), California has not divided the State into regional planning districts. Instead it has passed planning responsibilities to

individual regional agencies. According to the National Association of Regional Councils (NARC), California has 19 multi-purpose regional planning agencies,¹ with most being organized on a single county basis. Approximately one-third of all counties are not part of any regional or county-wide planning organization. Most of these planning agencies are voluntary associations formed under the state's joint powers statute. SANDAG is such an association. The State has assigned the function of being an areawide clearinghouse for federal and state projects, without allocating funds, to the regional agencies on a regular basis.

In the infrastructure area, the State has given the regional planning bodies the responsibility for managing several of the state planning programs. The designations, however, have been spread among a variety of agencies, but most given to frequently counties. For example, the primary responsibility for solid waste resides with the county in most cases, but in some instances regional authorities assume these responsibilities. California has granted some regional agencies the authority to both manage and program state and local funds for transportation.

California also has used the regional planning bodies to fulfill a variety of federal mandates but these delegations have been inconsistent too. For example, all but two of the fourteen Metropolitan Planning Organizations (MPO) in the State also are comprehensive regional planning agencies. Some but not all of the regional agencies are engaged in EPA-supported, non-point source (205J) planning. SANDAG is designated the co-lead with the County Air Pollution Control Board for air quality, but most of the funds appear to flow to the County or are retained by the State.

SANDAG: The Organization

SANDAG was established in 1966 as a voluntary association of governments in San Diego County, California, under the general authority of the State's joint powers provision. Today, all eighteen of the municipalities in the county are members of SANDAG. Membership is closed to special districts; however, the association has involved these districts in a number of planning activities with SANDAG. Originally, the county provided SANDAG with a staff, but in 1972 the organization was restructured to have independent staffing.

OVERVIEW OF SANDAG'S ROLE IN THE REGION

¹ NARC Directory

As the designated MPO and clearinghouse for state and federal projects in the County, SANDAG develops and maintains population, transportation, economic, and social data on the region, and provides technical data and services. As part of its comprehensive plan, the agency tries to maintain plans developed in the 1970's and early 1980's for housing, air and water quality, open space, and solid and hazardous waste. A growth management element was added to the comprehensive plan in the mid-1980's. It also conducts criminal justice planning.

SANDAG administers several special state funds for transportation including the proceeds of a one-half of a percent sales tax, which are allocated to local jurisdictions for local roads, highways and transit facilities. This legislation was contingent upon the voters' approval, which was received. This transportation financing role both solidified its power in the area and assured implementation of several transportation plans. SANDAG's involvement in environmental facilities planning is uneven due to uncertain funding and to other agencies being given the lead responsibility in key areas.

TRANSPORTATION PLANS AND PROGRAMS

Since SANDAG's inception, transportation has been its primary focus. SANDAG serves as the designated MPO for San Diego County and has been responsible since 1972 for allocating special state funds for transit to the various transit districts and operators under California's Transportation Development Act. In its capacity as MPO, the agency develops a series of long-range and short-range plans, including the Regional Transportation Plan, the annual planning work program and the five year Transportation Improvement Program and its Annual Element. In addition to preparing plans for all surface transportation modes, the agency has assumed responsibility for developing and updating the aviation plan. During 1989, SANDAG will study the options for the relocation of Lindbergh airfield. This involvement distinguishes SANDAG from the other MPOs featured in this study since they have not played a continuing role in aviation planning.

SANDAG's role in financing transportation also sets it apart from other regional agencies included in this study. Since 1972 California has provided 1/4 of one percent of the state sales tax for transit operators. SANDAG administers these funds for San Diego County and monitors the efficiency of the transit operations. San Diego County's two major transit planning and operating agencies are:

1) The Metropolitan Transportation Development Board (MTDB) was created under special legislation to operate the trolley system. However its role has evolved and it now does long-range planning as well as project planning for southern San Diego County. The MTDB recommends projects for incorporation in the regional Transportation Improvement Program (TIP). San Diego County is part of the MTDB.

2) The North County Transportation Development Board (NCTDB) operates the bus system for its area and does short-range planning. SANDAG makes the long-range plans for the NCTDB's area of jurisdiction.

As mentioned above, SANDAG's involvement as the regional transportation financier was expanded in 1987 when the legislature passed legislation to allow a voter referendum for an additional one-half of one percent on the sales tax for projects in the Regional Transportation Plan. (In the following legislative session, state-wide local option for the sales tax within County boundaries was approved by the lawmakers.) Although San Diego County was not the first jurisdiction to receive the special transportation financing legislation, SANDAG became the first MPO to be designated as the chief administering agency. The administration of this program involves contact and negotiation with numerous government agencies. However, the primary allocation process is the development of the regional TIP, which is a component of the Federal Highway Administration (FHWA) required TIP. SANDAG is creating financial plans for debt financing to accelerate the development of these projects.

ENVIRONMENTAL PLANS AND PROGRAMS

SANDAG participates in a variety of environmental programs such as water quality, air quality and solid waste even though the State has given the principal responsibility for these activities to San Diego County and retains certain other responsibilities through the district offices of the state agencies. To an outsider the relationship between the County and SANDAG is confusing. Multiple agencies plan and/or operate and regulate projects in all three environmental programs. The situation in the solid waste serves as a good example.

The State, through its Solid Waste Management Board (SWMB), sets requirements for building and managing landfills. The SWMB provides technical assistance to counties that are designated by the State to develop solid waste plans. As the area clearinghouse, SANDAG reviews such plans and proposed projects. In reviewing the plan prepared by the San Diego County solid waste board, the SANDAG board determined that the plan was deficient in recycling. With the County's urging, SANDAG formed a recycling committee, which produced a Regional Recycling Strategy. Both the City

and the County are involved in the implementation of the recycling project since their landfills are nearing maximum capacity. They are presently developing plans responding to the Strategy.

In the area of water quality, SANDAG has played a consistent, yet relatively minor role. The key players in the region are the Regional Water Quality Board (a regulatory agency and an arm of the State agency) and the San Diego County Water Authority, which is both the water planning agency and responsible for distribution of water received from the mega agency, the Metropolitan Water Agency of California. The major sewer services are provided by several municipalities. SANDAG was the designated water quality 208 Agency and developed that plan in the early 1980's. At the behest of the state, SANDAG is doing planning for part of a major project by the County funded with EPA 205J funds.

ADDITIONAL PLANS AND PROGRAMS

Outside of transportation, SANDAG's role in planning public works varies considerably issue by issue. In most other infrastructure areas the County or a special authority (hazardous waste) has the primary responsibility for planning systems and projects. By force of personality and/or technical skills, SANDAG is active in many of these areas. Because of the many actors, SANDAG has entered into a variety of coordination agreements with other state, local and regional agencies on programs ranging from information services to transit planning to air quality.

In the last two years, SANDAG has taken on the complex task of engaging all its members in a major effort to identify public works in ten categories that are truly regional in nature and then to develop a public financing plan for them. This work was originally begun because of SANDAG's concern that the poor financial condition of the County was not well understood and that many of the new facilities to accommodate growth would not be built. The Regional Public Facilities Plan is expected to be completed this fiscal year.

SANDAG'S PROGRAM BUDGET

The SANDAG program budget for 1989 is \$6.2 million, with more than 66 % of that amount coming from transportation funds -- state, federal and local. Of the total amount, federal grants and contracts account for over \$2.4 million; state grants, contracts, and subventions account for about \$1.7 million (including over \$1.2 million for the transportation development act funding);

local assessments amount to \$462,000; administrative funds from the transportation sales tax amount to \$522,000; and other contracts and services provide almost \$1.1 million. Revenues from the new sales tax generate approximately \$100 million annually for capital projects implemented by the California Transportation Department (CALTRANS), the County, and municipalities.²

According to the 1989 Overall Work Program for the agency, the information and technical services provided by the agency depend heavily on FHWA and Urban Mass Transportation Administration (UMTA) funding. Regional growth monitoring, for example, receives over half its \$44,000 budget from the two federal agencies.³

The total administrative and program budget calls for 62 employees which is 12 more than in 1982, when federal budget and program changes caused the staff to decline from 58 to 50.

SANDAG'S RESPONSE TO FUNDING CUTS

The loss of federal funds in the early 1980's, especially from Housing and Urban Development (HUD) and the Environmental Protection Agency (EPA) programs, appear to have diminished SANDAG's long-range planning in several areas. The 1989 Overall Work Program⁴ shows that only three of ten elements of the Regional Comprehensive Plan have been updated since 1982. Transportation has been updated in both 1984 and 1986; Regional Development Policies was updated in 1985, and Regional Growth Forecasts was added in 1985. The latter two receive substantial funding through state and federal transportation programs. On the other hand, the Regional Housing Plan was last updated in 1981, the Areawide Water Quality Management Plan in 1980, and the Regional Air Quality Strategy in 1982. The fact that the plans have not been revised, however, does not mean that projects in these areas have not been implemented.

Like other regional agencies included in this study, SANDAG has turned to its technical information and services to provide a source of revenue for other SANDAG programs. In 1983, SANDAG formed a separate, non-profit corporation, Sourcepoint, to provide information and

² Fiscal Year 1989 Final Program Budget (San Diego: Association of Governments, 1988) 19-23.

³ Lee Hultgren, SANDAG Director of Transportation, phone interview, 12 April 1989.

⁴ 1989 Overall Work Program (San Diego: Association of Governments, 1988) 15-16.

planning and technical services on a competitive market-rate basis. A major motivation for this change was to develop adequate funding to keep the data base up-to-date and to not lose the investment of the millions of dollars that had been put into it up to that time. All staff at SANDAG are also Sourcepoint employees and time spent on Sourcepoint projects is charged to Sourcepoint. Unlike most other similar efforts, Sourcepoint has been profitable for a number of years. It has allowed SANDAG to maintain certain programs and to expand data and technical capabilities.

Assessing The Situation

1. To what degree does the agency show leadership in the region?

Given the multiple actors involved in each of the key infrastructure areas, there is ample opportunity for overlap and conflict, but this seems to have been kept to a minimum in recent years in most areas through both formal and informal cooperation among the parties. With an uneven mandate for regional planning from the state, SANDAG has displayed a remarkable ability to have a role in both planning and decision-making in several infrastructure areas. SANDAG moved ahead in 1988 and developed the first phase of a Regional Public Facility Financing Plan. Once completed, this plan will propose a set of preferred facility financing options for regional public facilities (10 areas including water, sewer, parks, libraries, and open space) contained in earlier plans. This effort clearly shows SANDAG's interest in leadership in regional infrastructure.

The outside observer may still question whether the complex institutional arrangements for planning in some functional areas leads to adequate facilities and services. The process of developing the regional financing plan is directed at resolving that potential problem, but the outcome is unclear.

In the area of transportation, SANDAG plays a key role in financing planned projects, which has made it an independent force to be reckoned with in the County. Holding the purse strings tightly since the passage of the new sales tax, SANDAG members will probably not be interested in resigning from this voluntary association.

2. What effect does financing of agency activities have on priority setting?

SANDAG, more than other regional agencies in this study, is focused on transportation. Transportation planning has been the agency's bread and butter since its beginning. Today transportation congestion appears to be a top priority among association members. As the effects of rapid growth are becoming more visible, there also is considerable evidence of the agency's interest in other public works areas such as solid and hazardous waste. Often transportation funds and general membership dues have been used in these areas. However, SANDAG's efforts in non-public works activities appear to have declined with the loss of key federal program funds in the early 1980's. SANDAG's involvement in human resources programming and planning is minimal. This lack of involvement is probably due to a lack of funding, but it appears that it is not a top priority on the member's part.

3. How receptive is the State to regional decision making.

California is large--both geographically and demographically. Considering this fact, the California legislature and the executive appear to recognize the need for substate planning at a unit larger than local municipality. This is reflected by the government's tendency to delegate many programs in the public works area to counties or to special purpose regional districts. In some instances, regional multi-purpose planning agencies have been designated.

4. Are perceptions of infrastructure needs for the State or region affecting the State's view of these agencies?

Considerable evidence at both the State and local level indicates the public's concern regarding the effects of rapid growth on the existing infrastructure and the environment. But presently no evidence exists that this is affecting the state's view of regional planning agencies. For example, the designation of SANDAG for the regional sales tax was a probable outcome of several factors, not related to any changing view of regional agencies per se: 1) SANDAG's longstanding role in transportation; 2) SANDAG's development and backing of the legislation; and 3) A provision in proposition 13 that makes it easier to obtain voter approval of a new tax measure if the responsible agency does not presently have taxing authority.

In fact the increasing role of the State is seen in recent air quality legislation that has given the California Air Resources Board more controls over local activities. However, San Diego got legislators to modify some of the requirements for the San Diego Air Basin to allow more local, voluntary efforts.

SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS

APPENDIX A - 3

Southeast Michigan Council of Governments (SEMCOG)

Summary of Findings

- Michigan has no comprehensive plan requirement and no longer has a state planning office. State and local plans are required for infrastructure, social and economic programs. The State has several infrastructure development funds.
- Michigan supports several types of regional planning agencies with state funds, including comprehensive planning agencies. However, the key state agencies involved with the various regional agencies are not all together satisfied with the results and are rethinking requirements, boundaries, and other aspects of these agencies.
- Michigan is inconsistent in the designation of its 13 MPOs. While most MPOs are part of one of the regional planning agencies, four are separate from the regional planning commissions in their area of jurisdiction. As the MPO for the seven county region, SEMCOG operates as a super MPO, incorporating the recommendations of two Transportation Study Committees and three transit authorities in the regional transportation plans.
- Since its formation in 1967, SEMCOG has dealt mostly with infrastructure planning. This is attributed largely to the availability of funds from the federal HUD, the EPA, and the DOT at the time SEMCOG was formed. Federal budget cuts in the early 1980's forced SEMCOG to turn to DOT funds for activities previously funded by HUD and EPA.
- SEMCOG uses innovative approaches to fund activities previously financed by federal agencies. For instance, it employs a unique user assessment to support water quality planning, and it has developed a private organization staffed by SEMCOG employees. To support ridesharing and solid waste planning, the state has allowed SEMCOG to use penalties and fines collected from violators of environmental codes.
- SEMCOG's seven member counties vary economically. Several areas are still suffering from the economic downturn of the 1970's, while other areas are growing rapidly. The economic disparity among these regions complicates regional planning, and the need to balance these conflicting needs is an issue for SEMCOG.

SEMCOG in Context

In Michigan, infrastructure planning occurs at all levels of government. The state does not require comprehensive planning, but there are requirements for various public works and social and economic planning. State agencies create their own plans and, depending on the agency, rely on local and regional entities to participate in these efforts.

Regional planning gets mixed reviews from the state. With the passage of the Regional Planning Act in 1945, Michigan began to promote the voluntary formation of regional planning agencies such as SEMCOG. Being a permissive instead of a directive act, the legislation does not

specify the planning district boundaries or the structure of these organizations. Fourteen multi-county organizations have been created under authority of the Act and they encompass all eighty-three Michigan counties. These "designated regional planning agencies" are responsible, at a minimum, for serving as the state clearinghouse for state and federal projects and as regional data centers. The MDOC supports the 14 agencies through annual subsidies. Last year, the total amount of subsidies for all 14 counties was less than \$400,000. In addition to these funds, the legislature also appropriates funds to MDOT for transportation planning by each of the designated regional agencies. For 1989, almost \$4 million dollars was appropriated for this purpose.

Michigan's poor economy coupled with changes in federal economic development programs were factors that encouraged the MDOC to form a second set of regional agencies in the mid-1980's. These agencies, called Community Growth Alliances focus on economic development projects, rather than general planning, coordination, and trend assessment. These newer agencies also receive an annual appropriation of state funds through MDOC.

In the 1970's and 1980's the State assigned many environmental responsibilities to the regional agencies as well as to county governments. Growing environmental concerns and federal requirements affected these decisions. Due to changes in the early 1980's in several key EPA programs and a lack of state resources to take the place of federal funds, the substate agencies are left with the responsibilities, but provided few outside funds. The State does pass through EPA 105 and 205j program funds for specific projects of both regional agencies and counties and does provide small annual grants to develop and update solid waste plans. MDOT encourages the use of FHWA funds to meet certain of these needs, especially in air quality and in maintaining related data bases.

SEMCOG: The Organization

SEMCOG, formed in 1967, is a voluntary organization comprised of two policy making boards. Representatives to the policy making boards must be officials elected by the public. The organization consists of approximately 134 members including seven counties, a majority of the region's municipalities, as well as school districts, and community colleges. SEMCOG serves as the secretariat to the Metropolitan Affairs Corporation (MAC), a coalition of business, labor, government, and education representatives. Each year the MAC members work on several projects that concern the region. SEMCOG also staffs the Areawide Water Quality Board, an agency formed as a result of the 208 water quality plan completed by SEMCOG in 1979.

OVERVIEW OF SEMCOG'S ROLE IN THE REGION

As the designated clearinghouse and coordinating body for the region's state and federal projects, SEMCOG gathers and maintains population, economic, and social data for the region, and provides technical data and information services to its members. It maintains a land-use policy plan as the foundation for infrastructure planning dealing with transportation, water and sewer systems and solid and hazardous wastes. Recently, SEMCOG added to the regional plan the growth policies created by the three urban counties, MDOT, and MDOC. The agency also monitors air quality performance, provides technical assistance on community and economic development, and initiates projects in human services and public safety.

The seven counties SEMCOG serves represent a diverse economy. For instance, between 1980 and 1986, Wayne County experienced the largest population decline in the U.S.¹ While the region's economy has stabilized in the last several years due to the improvement in Michigan's economy, urban decay remains one of SEMCOG's major concerns. On the other hand, several of the SEMCOG counties are prospering and suffer from the same growth management problems as prosperous states on the East and West coast. SEMCOG faces a challenging task: its plans must include ways to alleviate the suburban traffic problem brought on by growth and provide primary infrastructure systems to these counties and it must suggest ways to reverse the urban decay in the poorer areas.

TRANSPORTATION PLANS AND PROGRAMS

As the MPO for three Urbanized Areas in the region (Detroit, Ann Arbor, and Port Huron) SEMCOG is responsible for the federally required Regional Transportation Plan, Unified Work Program and the Five-Year and Annual Transportation Improvement Program (TIP). The process of developing these documents is more complex than for other MPO's because Michigan DOT has appointed Study Committees that develop major plan components for both the Ann Arbor and Port Huron areas. The State supports transportation activities of all 14 regional planning agencies with annual appropriations that are distributed by MDOT. In exchange the agencies perform certain travel studies, help update facility files and HPMS data and other tasks needed by MDOT.

¹ County and City Data Book, "County Rankings by Selected Subject" Chart (Washington, D.C.: U.S. Department of Commerce, 1988)

For more than 15 years there were three transit agencies in the region-- Southeast Michigan Transportation Authority (SEMTA), Detroit Department of Transportation (DDOT), and Ann Arbor Transit Authority (AATA). These groups also received UMTA planning funds and developed components of the various plans required of the MPO. With the dissolution last year of the regional transit agency (SEMTA), SEMCOG is reviewing its role in the area of transit planning. SEMTA has been replaced with three agencies. A suburban transit company (SMART) serves citizens outside the city, the Detroit DOT provides transportation for riders within the city limits, and a regional council coordinates the two services.

Despite the complex MPO arrangement, the transportation planning process appears to be productive. SEMCOG relates well with MDOT; it does all of the modeling for the region as well as much of the corridor-level planning. SEMCOG identifies the corridor deficiencies and establishes state and local committees to work on them. This process puts decision-making on the level that is actually affected by the plan, and for this reason prevents work from being duplicated by state and local agencies. It also appears to help avoid conflict and controversy at later stages of the project.

Part of SEMCOG's short-range transportation plan is monitoring the transportation measures to reduce air pollution, managing a regional ridesharing program, and promoting private sector involvement in the form of Transportation Management Associations. It also provides technical services to local jurisdictions. In the last fiscal year, SEMCOG implemented one of its short-range transportation measures, a regional pavement management program.

Like other MPOs, SEMCOG's role in aviation planning is minimal. In Michigan, individual airports receive state and federal grants for planning the individual facilities. Consequently, passenger and freight forecasts have been highly optimistic and, taken together, far exceed any reasonable projection for regional need. These forecasts cannot be supported by other economic and demographic data. Recently, the State, the FAA, and SEMCOG have been negotiating for SEMCOG to conduct a major study to pull together the various master plans and to develop realistic forecasts of activity and facility needs.

ENVIRONMENTAL PROGRAMS AND PLANS

SEMCOG's involvement in environmental programs and planning of related infrastructure varies issue by issue. In the 1970's, the agency was designated by the State and the EPA as the region's 208 water quality agency and the lead air quality management agency. Recent state law requires that SEMCOG help develop the solid waste plans for the seven counties in the region.

Annually, SEMCOG uses FHWA and UMTA funds to help maintain the region's environmental data base. Little federal or state funding for planning in these areas has been available since the early 1980's. The federal EPA funds the state has provided to SEMCOG have been for specific projects. Water quality strategies for a particular river is an example of one such project.

Through the region's 208 plan, SEMCOG established the Areawide Water Quality Board (AWQB) in 1979. This agency, staffed by SEMCOG, is a unique means of providing local funding for on-going 208 activities. The AWQB charges both the waste treatment facilities and the counties a fee to cover the local share of any state or federal (205J) grants, the cost of administration, and the conduct of independent projects. The agency raised almost \$300,000 in 1988 from these "designated management agency" fees.

Apparently, AWQB has enabled the region to maintain a more consistent water quality planning effort than other regional agencies included in the study. Among its current activities, the AWQB is responsible for conducting the National Pollution Discharge Elimination System (NPDES) permit review and reviews many other water quality permits. It also works to resolve conflicts related to the 208 plan. The agency spends a significant amount of time on groundwater contamination, including the related problems of solid waste and hazardous waste facilities and siting of new facilities. The Michigan's Department of Natural Resources (MDNR) regularly appoints AWQB members to committees that review site clean-up programs.

SEMCOG is the leading air quality management agency for the region and developed the region's State Implementation Plan. Like other regional agencies with the MPO designation, SEMCOG has used FHWA and UMTA funds for tracking reasonable further progress towards attainment for mobile sources. Wayne County is responsible for stationary source monitoring in that county and the state monitors stationary sources for the remaining six counties. The region is a non-attainment area for a number of air pollutants. SEMCOG is also involved in developing fuel conservation measures, such as the region's ridesharing program.

In the solid waste area, state legislation in 1979 gave the primary responsibility for the development of solid waste plans to the 83 counties (both 5 and 20 year plans). However, the legislation also specifies that if counties choose not to do the plan, their regional planning agency must develop the plan. The legislation specifies that regional planning agencies must be one of 14 members on the planning advisory committee, regardless of who does the plan. Designated agencies receive a small amount money from the state annually to do the plan and the updates every five

years. In SEMCOG's case, each of the seven counties does its own plan. SEMCOG has assisted the state in the development of statewide guidelines for updating county solid waste management plans.

ADDITIONAL PROGRAMS AND SERVICES

As the secretariat for the Metropolitan Affairs Corporation (MAC), SEMCOG has increased its opportunity to influence regional affairs. A major project undertaken by MAC has been the siting of hazardous waste facilities -- an issue of great importance in Michigan where many contaminated sites exist and a large proportion of the jobs are in heavy manufacturing.

Maintaining a comprehensive database including transportation, demographic and socio-economic information is also one of SEMCOG's jobs. The agency provides extensive technical and information services to its members and charges fees for these services to other users. Unlike other regional agencies in this study, it has not attempted to put these services on a profit-making basis.

SEMCOG'S PROGRAM BUDGET

SEMCOG's total 1988-89 budget is \$4.7 million. Most of its money comes from federal agencies, including direct federal grants accounting for 20% and state administered grants representing another 41% of the total. In addition, member fees represent 28% of the total, state grants only 6%, and contracts 4%. During this fiscal year \$90,000 of the \$176,000 contract revenues will come from General Motors. This latter payment is covering the cost of a special study of mitigation measures for odors from solid waste facilities and is being made in lieu of a state-imposed fine on the automaker for an environmental violation.²

SEMCOG employs 75 people with over half being involved in transportation. It estimates that it will spend at least \$3.2 million or 68% of the total budget on fringe expenditures and salaries.

Assessing the Situation

1. What effect does financing of agency activities have on priority setting?

² 1988-89 Annual Budget and Work Program (Detroit: Southeast Michigan Council of Governments, 1988) 13-17.

Although the proportion of federal funding has declined somewhat since 1980, federal support is still the major source of funds. The agency has downsized with the loss of HUD 701, regular EPA (208 and 105), and LEAA funds. As a result, DOT and MDOT funding-- always major sources of support -- have become even more important. In a number of cases, though, DOT funds are being used to support general planning and air quality activities that were previously supported by HUD and EPA. Thus, the higher level of transportation funds does not mean necessarily a change in program priorities. Overall, SEMCOG has not shifted from its focus on the infrastructure and environmental issues that affect infrastructure development.

These local priorities have been maintained through the development of local sources of funds. Approximately \$200,000 is anticipated in FY1988-89 from MAC contributions to support staff and related programs. Almost \$300,000 will come from the designated management agency fees of AWQB that enable the 208 planning process to continue.

2. To what degree does the agency show leadership the region?

Through the AWQB, SEMCOG plays a significant role in resolving issues in the water quality area and related solid waste and hazardous waste issues. In transportation, the agency's strong working relationship with MDOT appears to make it a major player in the region, as it is the primary planner, facilitator, and mediator on transportation issues. The TIP process appears to be taken seriously by all parties and SEMCOG officials believe that a more direct relationship between projects planned and projects funded has recently developed. It remains to be seen whether SEMCOG's recent efforts to develop serious guidelines for growth management and infrastructure development will be successful. If so, this would reinforce SEMCOG's strong leadership position.

3. Is the State Receptive to regional decision making?

The state appears to be very receptive to regional decisionmaking in some areas. Recent solid waste legislation and MDOT's attitude on such sensitive issues as corridor planning reflect this mood. This receptiveness does not necessarily mean that the state will use the comprehensive regional planning bodies, such as SEMCOG for planning in all areas. MDOC has created a second set of regional agencies to carry out certain economic development functions and solid waste legislation gives the key planning role to counties.

4. Are perceptions of infrastructure needs for the state or region affecting the state's view of these agencies?

Infrastructure needs do not appear to be changing the state's view of these agencies. However, for the last four or five years the boundaries and focus of the 14 designated agencies have caused at

8

least two major state agencies to consider changing to other regional agencies or restructuring the existing ones. MDOC actually started a second group (38) that plan specific economic development activities for smaller regions. DOT tried to cut off the special state funding for transportation planning several years ago due to dissatisfaction with a number of the agencies.

MARICOPA ASSOCIATION OF GOVERNMENTS

APPENDIX A - 4

Maricopa Association of Governments (MAG)

Summary of Findings

- Arizona has established six planning regions but has not assumed a role in the organizing or on-going financing of these regions. The organizations reflect the interests of the local jurisdictions.
- Arizona has no requirement for the development of a comprehensive plan. Infrastructure planning occurs on an agency-by-agency basis.
- MAG operates efficiently largely due to its unusual staffing policy, which minimizes administrative costs by contracting with other agencies and by co-locating staff at other agencies, such as the Arizona DOT and the Regional Public Transportation Agency. MAG exerts influence through consensus building, which is achieved partly by having other agencies buy-in to MAG's work through shared staff.
- The State has consistently designated MAG as responsible for federal area-wide physical planning programs (transportation, water, sewer, solid waste) in the region. The State has not consistently designated the other regional planning districts for these federal programs;
- Since its inception, MAG's focus has been on transportation issues. Recent planning efforts increasingly are directed at other environmental and infrastructure requirements of growth and this fiscal year, the agency will begin the development of a growth management strategy.
- MAG uses both special member assessments and state and federal transportation funds to do environmental planning that is no longer fully supported by EPA programs.
- MAG has been instrumental in achieving legislative approval of funding for the funding of major capital plans and adoption of air quality standards.

MAG in Context

Arizona has no requirement at the state, regional or sub-regional level for the development of comprehensive plans. In 1970, in response to federal OMB-Circulars 95 and 96, the Arizona governor issued an executive order¹ establishing six planning districts in the state. Local jurisdictions within these districts are free to form non-profit organizations to undertake planning activities at the sub-state level. Both of the urban districts are single-county districts.

By 1972, local governments in all six districts had formed multi-purpose planning organizations to serve as areawide clearinghouses and to perform other types of planning and coordination. Since that time the State has often designated the planning districts to do areawide functional plans required by the Federal government. These designations are not entirely

¹ Arizona, The Office of the Governor, Executive Order 70-2: (Phoenix: 1968)

consistent. Of the three Metropolitan Planning Organizations (MPO) in the State, two are regional planning district organizations, while the other is not.

The regional planning bodies do not receive regular financial support from the State for their planning or coordination activities. Instead they receive state grants to carry out work in particular fields, depending on the needs of the region and the organization's relationship to state agencies. The four rural organizations are oriented more toward social services and economic development, while the two metropolitan agencies focus on physical planning and related environmental concerns, such as air quality.

MAG: The Organization

MAG, formed in 1967, is a voluntary, non-profit organization to serve the urbanized area of Maricopa County and its incorporated municipalities. In 1980, the organization expanded to include all of the county and, today, there are 23 member-jurisdictions. The membership does not include special districts or the private sector, but representatives of these groups do participate in MAG projects. MAG has had the same director since its inception and has followed a policy of minimal staffing throughout its history. It has three administrative staff members, who also serve as staff to the League of Arizona Cities and Towns; its program staff also are often part of another agency's staff (such as the Regional Public Transportation Authority) or are housed at another agency.

OVERVIEW OF MAG'S ROLE IN THE COUNTY

As the designated clearinghouse and coordinating body for the County's state and federal projects, MAG develops and maintains population, economic, and social data on the region, and provides technical data and services to its members. It's focus is on physical plans, but it also develops plans to meet human service needs such as Homeless programs. The County's population grew by over 1 million between 1967 and 1987 and now totals more than 2.1 million people. Since 1980, it has experienced growth rates of 3-4 % annually, one of the highest rates of growth in the country. As a result of this continual growth, MAG's primary interest from the beginning has been in transportation improvements. During the 1980's, the organization has been increasingly involved in environmental planning in response to growth-generated problems.

TRANSPORTATION PLANS AND PROGRAMS

MAG serves as the MPO for the County and works closely with the Arizona Department of Transportation (ADOT) on both the long and short-term planning for highways and expressways, systems management, and on the development of the five-year and annual TIP. The MAG Transportation Planning Organization (MAGTPO) staff is supplied by ADOT and also assists ADOT on the development of corridor and detailed plans for the MAG plan projects. This is an unusual arrangement and it appears to assure continuity in implementation of projects. The staff does technical work for MAG, but policy matters are left to the board and senior ADOT staff.

In the mid-1980's, MAG developed a major Freeway/Expressway plan for the County that proposes expanding the existing highway system by 244 miles. Through broad support from the affected governments and the Chamber of Commerce, the Legislature approved a local option referendum on imposition of an additional one-half of one-percent of the sales tax for 20 years to be dedicated to the construction of the plan's projects. The voters overwhelmingly approved the proposition in October, 1985. Presently, about \$150 million is derived annually from the tax. Some 87 miles of new freeway are expected to be completed by 1993. Out year schedules, however, may be affected by revenue levels not meeting expectations. Maricopa County's tremendous growth rate has moderated, reducing potential collections.

As part of the enabling legislation for the transportation sales tax, the Regional Public Transportation Authority (RPTA) was formed with substantial financial support for transit planning provided through 1991.² However, voters rejected funding for the plan for a major transit system when the issue was put to a vote in March, 1989. With the creation of RPTA, MAG turned over long-range transit planning to the new agency, but continues to develop the short-range transit plan. MAG also operates a growing ridesharing program in cooperation with the RPTA. In 1989, the ridesharing program is being expanded substantially as a result of \$1 million additional state environmental grants and federal transportation grants. As with other organizations, MAG has a shared staff arrangement with RPTA.

In the 1980's MAG also has become more involved in aviation planning. In this case, the MAG aviation planner is housed at ADOT. MAG produced a comprehensive, 20-year Aviation Plan for the County in 1986 and is working on a series of FAA-funded projects to update the plan and evaluate specific improvements.

² Maricopa Association of Governments, Transportation Planning Report, (Phoenix: Transportation and Planning Office, 1988) 15.

ENVIRONMENTAL PLANS AND PROGRAMS

MAG has been actively involved in Air Quality planning for more than a decade, and MAG developed the EPA-required State Implementation Plan in the early 1980's. MAG is a non-attainment area for carbon monoxide, ozone, and particulates, with mobile sources as the primary contributor. The staff views air quality as a growing problem that is substantially influencing transportation plans and land use. With this perspective, MAG has been creative in funding air-quality planning with a variety of sources since the demise of regular EPA support. It has been using local, state, and some federal funds to refine the control measures since then. In the last several years MAG also has been able to tap a special restitution fund by EXXON for such activities as an alternative fuels study and the development of a Model Trip Reduction Ordinance. In 1988, MAG adopted a new air pollution control plan. Last summer, the legislature adopted four of five of the priority measures in the MAG plan.

During its early years, MAG was instrumental in the formation of a multi-city sewer system. In the 1970's and early 1980's, MAG was the EPA and State-designated water quality planning agency (208) for the County. Today, MAG still coordinates water and sewer activities through a Water Quality Policy Committee. In 1989, MAG is undertaking an update of the 208 Plan. The \$100,000 study will be funded with \$40,000 EPA funds (205J) through the State and a \$60,000 special membership assessment. Most water and sewer services for the County (and for the State) are provided through municipalities.

MAG is proposing an analysis of growth management issues leading to a regional development strategy as part of its 1989-90 work program. The Strategy will identify infrastructure costs for each alternative development pattern. The goal is to find ways to accommodate growth and to ameliorate its environmental and economic impacts.

During the mid-1980's MAG became involved in the growing problem of solid waste. A 1987 effort of a MAG technical committee resulted in a recommendation for the formation of a special solid waste district to take the place of the collection of public and private agencies operating landfills in the county. The effort, however, was judged to be incomplete and the MAG Council directed the staff to go back and develop the necessary data and plans and give more thought to financing. MAG is putting together funds from the EPA, Arizona's energy office, and a special member assessment to conduct this effort under the direction of a MAG policy committee.

TECHNICAL AND INFORMATION SERVICES

MAG encourages the formation of technical groups comprised of representatives of member agencies. Through one such group of public works directors, areawide specifications for public works construction projects were developed in the late 1960's and have been updated regularly since then. Regional building codes for private construction also have been developed through a technical working group.

The organization has projects each year to update base population and socio-economic data. Recent MAG projects of this type include: 1. Improving the journey-to-work data through a cooperative project with the Bureau of the Census to ; 2. monitoring development trends and impacts; and 3. surveying employers to revise the employment base data.

MAG'S PROGRAM BUDGET

The organization receives most of its funding from state and federal transportation funds with project grants coming every year or so from the EPA, and the Arizona Departments of Environmental Quality, Energy, and Economic Security. It's member dues are kept low -- \$100,000 in 1988, but special projects in high-priority areas are funded by special member assessments. In 1989, such special assessments amount to some \$80,000.

In 1988, MAG's budget consisted of approximately \$2.7 million federal and state, \$160,000 local cash contributions and \$176,000 local in-kind contribution for a total of \$3.1 million. The 1989 budget is almost \$2 million larger due to several special grants in the transit and ridesharing area and in water and solid waste areas. Counting staff housed at other locations, but funded by MAG, the MAG staff is approximately 24.

Assessing the Situation

1. To what degree does the agency show leadership in the region?

According to an extensive survey of MAG membership conducted by Arizona State University, MAG serves as a vital forum for the region³. Issues are discussed and strategies for problem solving are developed mostly through consensus building. The study asserts there are no viable alternatives for replacing the functions of either of the Arizona urban planning district

³ The Regional Planning District Study (Arizona State University: Office of Hazards Studies, 1988) 81.

agencies, MAG, or the Pima Association of Governments (PAG). By coordinating with operating agencies and often passing funds through to them for projects and programs (ridesharing, solid waste), MAG has carefully avoided turf problems, as well as overlap of responsibilities.

The support for the MAG Freeway and Expressway Plan approved by the voters in 1985 also reflects the leadership role MAG has assumed in Maricopa County. The proposed effort to develop a strategy for growth management also shows the agency's willingness to address difficult issues that it sees as important to the region.

2. What effect does financing of agency activities have on priority setting?

Throughout its history MAG has recognized and responded to the interests of its membership. Apparently disinterested in building a large organization, MAG has opted to support programs its members are concerned with and not just follow the availability of funding. While other organizations have expanded to provide a range of services, MAG has focused on planning and counted on other organizations to provide services on a need basis. MAG's cooperative relationship with RPTA over ridesharing is an example of this practice. In cases where federal funds have been cut, for instance in air and water quality programs, MAG has relied upon special membership assessments and federal and state transportation funds to support its environmental studies. Special assessments, however, are admitted to be limited in scope and are more stop-gap measures than long-term solutions.

3. How receptive is the state to regional decision making?

In general, the executive branch appears to be receptive to regional decision-making. The pass-through of federal programs and designations to MAG, support this supposition. In the infrastructure planning area, the ADOT and the regional planning district organizations appear to work closely together and share the same needs. However, in the last five years, the Department of Environmental Quality (DEQ) has been reluctant to pass-through limited EPA funds.

In recent sessions the Arizona legislature has demonstrated its support for regional planning through adopting enabling legislation for the local transportation sales tax.

4. Are perceptions of infrastructure needs for the state or region affecting the state's view of these agencies?

Growth management is of tremendous concern to the Phoenix area. Recent legislation such as the Groundwater Act also indicate the state's concern for growth management. However, it remains unclear whether the state will use regional agencies of any type to administer programs aimed at the problems accompanying rapid growth.

5. How has MAG responded to federal budget cuts?

MAG's staff asserts that the lack of consistent funding from the state and federal governments hampers the organization's ability to respond to the growing number of environmental issues. A recent study conducted by Arizona State University points out that federal funding for regional planning has been cut drastically in all areas except transportation, yet federal mandates for performance still have an impact on local governments.⁴

Using special funds for priority activities is one way MAG has responded to these cuts. The Exxon Restitution Fund is a fund MAG has tapped for air quality measures. Like other regional planning bodies, MAG capitalizes on the flexibility of federal DOT funds by using these funds to collect the necessary data for other plans, particularly in the air quality area. Another financial source MAG turns to to update plans originally funded by the EPA is special member assessments.

Unlike other agencies included in this study, MAG has not attempted to broaden its revenues through selling technical services and data. MAG prefers to focus on its members, but even if it wanted to be involved in sales, its small staff probably could not support such an activity.

⁴ Ibid 5.

SUMMARY OF REGIONAL PLANNING IN IDAHO AND TENNESSEE

APPENDIX A - 5

Summary of Regional Planning in Idaho and Tennessee

PURPOSE:

In the spring of 1989, the Office of Technology Assessment contracted with Campbell Associates for a study of the State Role in Regional Planning Models. The purpose of this study is to assess the role of various states in fostering effective planning of regionwide infrastructure systems. The work is to build on research accomplished on an earlier OTA study of several regional planning models (Contract #J3 - 4840).

The contract requires three products:

- Task One provides for written summaries of regional planning in each of two states from different regions of the country and with different planning programs and objectives.
- Task Two provides for the development of case studies of four regional planning agencies representing four different organizational structures, geographic regions, and levels of effectiveness.
- Tasks Three and Four require the preparation of draft and final reports incorporating the results of earlier research and the case studies. The report will focus on ways in which any of these types of agencies, or modifications, may provide useful models for new infrastructure programs or for more effective infrastructure decisionmaking.

METHODOLOGY:

The earlier study "Regional Planning Potential in Infrastructure Decisionmaking" reviewed basic functions and powers of regional planning bodies in nine states and included detailed case studies of agencies in two of those states. To broaden the base of examples from which to draw conclusions about the roles and effectiveness of regional planning in infrastructure decisionmaking, two other states have been chosen for the summaries required in Task One.

The states chosen, Idaho and Tennessee, represent two very different approaches to planning in general in two very different regions of the country. Idaho has no state planning office and offers no financial support to planning agencies - regional or local. Nor has the state established any special state financing programs for infrastructure. The governor designated six planning districts in the late 1960's that cover the state and enabled the local jurisdictions to form planning and coordinating bodies in each of those districts under the state's joint exercise of powers legislation. Tennessee on the other hand has a long and active history of planning at the state, municipal and regional level (also seven river basins) and the state provides financial support to regional planning. In 1987, the legislature also established a one-time only fund of \$55 million for infrastructure investments related to industrial development.

With regard to general state characteristics, U.S. Census data also show substantial variance between the two in several key demographic indicators. Idaho ranks 41st in population with 1,002,000

people (in 1986) and has an average population density of 12.2 persons per square mile. While Tennessee ranks 16th with a population of 4,803,000 and has an average density is 116.7. Average density throughout the United States is 68.1 persons per square mile.¹

Economically, Tennessee seems to have weathered the recession of the early 1980's better than Idaho having improved its rank among states in terms of per capita income moving from 42nd in 1980 to 38th in 1986. Portions of Idaho are still suffering from a moderate recession and the state dropped in rank in terms of per capita income from 36th to 45th in the country during the same period.

The addition of these two states to the body of research on regional infrastructure planning will greatly strengthen the assessment of effectiveness of these agencies as a whole and highlights two very different state approaches to the issue.

PLANNING REGIONAL INFRASTRUCTURE IN IDAHO

DESCRIPTION

IDAHO is a mid-size state covering approximately 53,000,000 acres. It ranks 41st in population among all states. As in several other western states, the majority of the land is federally owned (63%).

Despite its limited tax base, the State is ranked 47th among all states in terms of state tax burden per person. Additionally, Idaho has placed strict limits on local governments' ability to levy taxes. In terms of federal revenues, in 1986 it received slightly less federal aid per capita than the national average (\$434 annually as compared to \$464 annually).²

Traditionally, Idaho's economy has been dependent on agriculture, mining and food processing. After relatively rapid growth in the 1970's, especially in mining, the State slipped into a mild to moderate recession in the early part of the decade. Between 1981 and 1987, the State suffered net job loss in mining (-55.4%); manufacturing (-.7%); transportation, communication, and utilities (-14.8%); wholesale trade (-9.3%); finance, insurance, and real estate (-30.5); and government (-1%). The only basic sector (excludes the service economy) where there hasn't been a job loss is agriculture, which gained 7.9% in jobs during this period. As in other parts of the United States, the service economy of Idaho also has grown. In the period 1981-1987, this sector of the economy grew 7.7% as contrasted with 29.2% for the U.S. as a whole.³

Per capita personal income in constant dollars was flat in the period 1980-1986, dropping slightly from 9,873 in 1981 to 9,836 in 1986.⁴ Another measure of economic well-being, per capita bank

¹ "Resident Population, 1950-1986, and Percent Urban, 1980 - States and Puerto Rico", Statistical Abstract of the U.S. 1988, 108th Edition, U.S. Bureau of the Census, pp.18-19.

² "Federal Aid to State and Local Governments -Selected Programs by State: 1986", Statistical Abstract of the U.S. 1988, 108th Edition, U.S. Bureau of the Census, p. 261.

³ Southeast Idaho Economic Development Profile, Southeast Idaho Council of Governments, Inc. Pocatello, Idaho June 1988.

⁴ "Personal Income Per Capita in Current and Constant (1982) Dollars- States 1970 -1986", Statistical Abstract of the U.S. 1988, 108th Edition, U.S. Bureau of the Census, p. 417.

deposits (1985), also shows the lack of economic vitality in the state. In 1985, Idaho bank deposits per capita were 77.2% of the U.S. rate as a whole.

With local financing powers limited by the state, special districts (primarily water, sewer, and irrigation) play a big role as public works service deliverers. The State has 44 counties, 198 municipalities, 118 school districts, and 704 special districts.⁵ Under the economic circumstances outlined above, funds for all governmental activities, including planning and infrastructure development are limited.

STATE OF PLANNING:

During the 1970's Idaho had a State planning office funded by the HUD 701 planning grants program. However, today there is no State planning office. Planning occurs in the individual state agencies such as Idaho DOT. But there is no overall framework or coordination of functional planning.

In the late 1960's, a governor's order established six planning districts covering the State and encouraged the formation of voluntary organizations under the Idaho joint powers provision (Title 67, Sections 2326-2333). This allowed local governments in each geographic area to establish regional agencies to coordinate public services, improve the economy, and provide technical assistance to local governments. These same planning districts were designated by the State in the early 1970's as the economic development districts required by the EDA. Any coordination of State activities occurs on a project by project basis at one of these agencies, except for urban transportation planning, which is coordinated in the Boise and Pocatello Metropolitan Areas by the Metropolitan Planning Organizations (MPO) that develop transportation plans with USDOT funding. The MPO's, however, are separate from the planning district agencies.

In the 1970's, the six agencies established by the local governments in each of these areas also received HUD 701 funds for comprehensive planning and EPA air quality and water quality grants. With the restructuring of EPA programs and the elimination of this HUD program, financial support for planning for the six agencies has come almost exclusively from EDA grants and limited local funds. There are no State funds for planning. Nor is there any special grant or loan funds for infrastructure or for economic development. Local government's ability to develop new sources of revenue is strictly limited by the State.

The authority of the regional agencies is very limited and subject to change by the local members. A review of the charter of one of these non-profit agencies, typical of the others, shows its functions limited to: coordination of the comprehensive plans and public services of members, formulation of recommendations for action, improvement of the regional economy, and provision of technical assistance to members.

Without State funds and with the loss of federal planning funds, these agencies have reduced their public works activities. Generally they emphasize economic development and labor planning and programs. One of their main functions is to process EDA and CDBG grants for member governments. For several of these agencies, another major area is the DOL-supported Private Industry Council or they may serve as the Area Agency on Aging.

In terms of infrastructure, these agencies' regular role is limited to the processing of EDA and CDBG grants; the majority of grants are for small infrastructure investments such as roads, and water and sewer service to industrial parks. In part these priorities reflect the changes in the federal programs; EDA no longer funds tourism projects and downtown redevelopment. However, several persons

⁵ "Number of Local Governments, By Type --States 1987". Statistical Abstract of the U.S. 1988, 108th Edition. U.S. Bureau of the Census, p. 274.

interviewed also said the needs of the State, with its agricultural base, are reflected in the many applications for water quality and supply improvements. These amounts are small, however, as the entire CDBG allocation to the State is just over \$7 million. Additionally, most of these organizations administer small revolving loan funds for public works capitalized by earlier EDA grants.

An exception to the institutional arrangements under which the six planning district agencies operate is the ADA Planning Association. It was established in 1974 by voluntary charter of ADA County (Boise) and its member local governments under the State joint powers provision, as a full-service COG including responsibilities for land use planning. Within three years, local officials took back the land use responsibilities and changed the name to Planning Association. The Association is the MPO as well as providing technical assistance and maintaining county-wide data bases. In the last several years, it has reassumed more of a role in coordinating planning issues.

With its MPO function, the Association has both more clout and more resources for the kind of on-going planning and data collection useful to local members than do the other regional agencies. Also, it has increased its involvement with IDOT and the IDOT board that determines funding priorities. It has a TIP that incorporates transportation projects of all funding sources, not just Federal.

In addition to these regular activities, the Association is under contract to the state Department of Health and Welfare (Environmental Quality Division) to assess the reasonable progress made toward meeting the SIP requirements throughout the state and to plan for non-attainment. This action highlights both the State's relationship with this particular agency and the lack of resources at the state level to conduct this kind of analysis.

ISSUES AND CONCLUSIONS:

The following issues were examined as part of this study:

1. Is the State receptive to regional decision making.

Both the State and local officials interviewed indicated no particular reluctance to use the regional agencies in the limited roles they have been given. The State and federal officials seem to respond to their recommendations when resources are available. However, resources are very limited in all areas. The ADA Planning Association's role in state air quality planning indicates a receptivity on the part of at least one state agency to use sub-state organizations for planning purposes. The main issue in Idaho seems to be lack of interest in governmental involvement in planning at all levels.

2. Are perceptions of infrastructure needs affecting the State's view of these agencies?

The answer to this question appears to be yes. The State's minimalist approach to government, including its restrictions on local sources of revenue indicates a lack of interest in the type of intergovernmental activities promoted by such agencies. Again, however, within the limited range of government functions in Idaho, the State seems quite willing to have these agencies assist the local agencies and to make recommendations on certain types of programs.

3. How has the role of the regional agencies changed as funding sources and issues change?

The importance of these regional bodies to the many local agencies and special districts appears to have grown as funds have become more scarce in the economic development and environmental areas. These agencies have more expertise in packaging grants than the small jurisdictions and they gather the regional statistics that are needed to make a case for the limited funds. There is no discernible difference with the State in the program areas examined.

4. Do these organizations play an effective role in the development of regional or State infrastructure?

The lack of public funds in Idaho in general seems to be hampering the provision of adequate public works for economic development.⁶ The current recession has resulted in an erosion of tax base, federal funds in key infrastructure categories have been reduced, and there is no evidence of the State attempting to develop new sources of funds. To the extent that they facilitate a more efficient use of the limited dollars available, efforts by these agencies could be said to be effective. The latter is of course the hardest to document and there is no firm evidence of such efficiency. Certainly, it appears that many local and special districts are using the regional agencies to do work they do not have staff for and this is promoting a certain project coordination among the various special districts in each region. It also avoids duplication.

But, if the major infrastructure problem in Idaho is a lack of resources, these agencies do not seem to be playing much of a role in changing those circumstances. Also, several persons indicated that the numerous special districts often promoted inefficiency, but these regional agencies seem to have had no effect in helping to bring about consolidation of special districts or limiting new ones, as has been the case with regional planning bodies in other parts of the country (I.e. NCTCOG's role in consolidating regional waste treatment systems).

PLANNING REGIONAL INFRASTRUCTURE IN TENNESSEE

DESCRIPTION

Tennessee is a relatively small state with a land area of about 27,000,000 acres, 7.4% of which is federally controlled. It ranks 16th in population among all states. The State has experienced steady population growth since World War II. In the 1970's that rate accelerated to 16.9%, a rate greater than the National average of 11.4%. That population growth rate has not been maintained in the 1980's and is projected to be 8.3% for 1980-90 as compared to the projected national rate of 10.3%.⁷

Tennessee is not a big government spending state. It enjoys a low rate of outstanding debt per capita of \$402, which in 1985 placed the state 42nd among all states. General state expenditures also are low and were ranked 49th in the country in 1985, with per capita expenditures of \$1,055.⁸ In terms of federal-aid, Tennessee receives about the average of all states. In 1986, the State received \$443 per capita as compared to the national average of \$460 that year.

While the State has experienced a loss in its manufacturing base in the last decade, its economy is relatively stable. Per capita personal income grew moderately between 1980 and 1986, rising (in terms of 1982 constant dollars) from \$9,248 to \$10,519.⁹

⁶ Southeast Idaho Economic Development Profile, Southeast Idaho Council of Governments, Inc. (Pocatello Idaho, June 1988) p.27.

⁷ "Resident Population, 1950-1986, and Percent Urban, 1980 - States and Puerto Rico", Statistical Abstract of the U.S. 1988, 108th Edition, U.S. Bureau of the Census, pp.18-19.

⁸ "State Governments-Revenue, Debt, and Expenditure 1970-85, and By State; 1985", Statistical Abstract of the U.S. 1988, 108th Edition, U.S. Bureau of the Census, pp.268-269.

⁹ "Personal Income Per Capita in Current and Constant (1982) Dollars- States 1970 -1986", Statistical Abstract of the U.S. 1988, 108th Edition, U.S. Bureau of the Census, p. 417.

In terms of government organization, the State relies heavily on local governments and special districts to provide services. In 1987, Tennessee was divided into 94 counties with 334 municipalities and 462 special districts (other than school). The majority of the special districts are water or sewer utilities.¹⁰

STATE OF PLANNING

The state of Tennessee has sanctioned planning at the state, regional, and local levels for more than 50 years. A State planning office was established in 1935 as part of comprehensive planning legislation that also provided for regional planning commissions, municipal planning commissions, and community planning commissions. The legislation gave the State planning office purview over these commissions and also directed the office to develop a State plan focusing on general land utilization and location of public facilities.¹¹ Despite the legislation, no overall State plan has been adopted. Although elements of the plan such as parks and recreation have been adopted.

The regional commissions were intended to be established in multi-county areas as designated by the State planning office. They were to plan and direct development patterns throughout the designated area except for municipalities that had established their own planning commissions. In concert with county courts, regional commissions were to have important zoning and subdivision responsibilities in areas not covered by Municipal Planning Commissions (MPCs). And could perform these same functions for municipalities at the request of the chief legislative body. They were to coordinate with special districts, but they had no powers over them.

However, regional commissions operating in multi-county areas were rarely established. But, many MPCs were created. In a number of instances, the MPCs chose to exercise authority provided in the statute to assume the responsibilities of regional planning commissions for their area and for the contiguous areas (within 5 miles of city limits).

From time to time, the General Assembly also has created special commissions to conduct activities in major watersheds. There are now seven of these organizations, with activities ranging from management of flood control projects to building housing. These organizations are wholly independent agencies.

In 1965, more or less ignoring the regional planning commission provisions of Title 13, the General Assembly adopted new legislation (Title 13, Chapter 14) establishing Development Districts to plan the orderly economic development of the State in areas designated by the State planning office. The intent of the legislation was to establish organizations that would foster regional planning among the various counties and cities, but not implement the plans. The new regional planning agencies were to develop both comprehensive plans and individual physical development plans. They also were charged with helping local jurisdictions develop finance mechanisms (including establishing independent organizations) to carry out projects or economic development programs.

In the earlier legislation, the formation of regional organizations and membership was the responsibility of the director of State planning. The The legislation called for Development Districts

¹⁰ "Number of Local Governments, By Type—States 1987", Statistical Abstract of the U.S. 1988, 108th Edition, U.S. Bureau of the Census, p. 274.

¹¹ Tennessee Planning Legislation Annotated, reprinted from the Tennessee Code Annotated and the 1977 Cumulative Supplement (Charlottesville, VA: The Michie Company/ The Bobbs-Merrill Company, Inc. 1978) Title 13, Chapters 1-5.

(DD's) to be proposed by the director, but approved by a 3/4's majority of the chief elected officials of both the counties and cities involved. Members are appointed by locally elected officials as well.

Another important distinction between DD's and the earlier regional planning bodies is voluntary membership. Any local government may resign from membership of a DD at any time. Perhaps as significant is the availability of annual state funding. Under the 1935 legislation, there were no specific funds provided for the regional planning commissions. Development Districts, on the other hand, receive annual appropriations from the state depending on the contributions of their member jurisdictions. The amount available currently ranges from \$60,000 to \$120,000 per year. DD's that charge their members dues of at least \$.16 per capita are eligible for the maximum. If the dues are \$.10 or less, the contribution is the minimum \$60,000.

For the purposes of this study, it is important to note that neither the 1935 nor the 1965 statutes provide for the seven river basin authorities or special utility districts to comply with the regional plans. State agencies planning roads, bridges, or public buildings must have their projects reviewed for consistency with the plans before expending funds.

Today, the State is organized into nine development districts. They conduct activities typical of regional planning councils throughout the U.S. including data collection, facility and land-use planning, air quality and water quality planning, and technical assistance. The DD's are responsible for reviewing all proposed programs or projects involving federal or state funds for consistency with state, regional, and local plans. Seven serve as the Area Agency on Aging and receive significant grants for planning labor programs. Many DD's worked on the 208 areawide water quality plans and some continue to do water quality planning with limited 205j funds provided through the state.

Neither the DD's nor the Municipal (or County) Planning Commissions serve as the MPO's. In several instances one or both agencies provide staffing for the MPO, but the MPOs are separate organizations with representation from both groups, as well as other state and local organizations. Reasons for deciding to create a third organization are unclear, but the result is that both DD's and MPC's carry out some MPO activities under the umbrella of the MPO. For example, in several areas DD's run the ridesharing program and do traffic analysis for members, while the planning commissions provide the staff for the development of the transportation improvement and unified planning work programs. It also appears that the TDOT has kept a tight reign on the MPO process and the transportation improvement programs are limited in scope leaving TDOT broad discretion over the choice of most projects.

In 1988, one of these DD's, the Greater Nashville Regional Council (GNRC), expanded its role as a DD to also become a regional planning commission under the 1935 legislation. The results of this consolidation can not yet be measured but it potentially allows for the development of a very powerful land-use agency. There are two MPO's operating within the boundaries of the GNRC.

Interviews with both regional planning and state agency staff indicate fairly close working relationships among state agencies and the DD's and the MPC's (including those that are also regional planning commissions). The State planning office continues to have contact with both of these groups, but the Department of Community and Economic Development, which has regional offices throughout the state, is now their primary state contact.

ISSUES AND CONCLUSIONS

The following issues were examined as part of this review of State planning structure:

1. Receptivity of State to regional decision making.

The concept of regional planning has been accepted in Tennessee since the 1930's; its execution has taken longer. The fact that existing regional planning agencies are not designated as MPO's indicates a

reluctance, at some point in State government to give the DD's full regional planning authority. It also appears that neither the DD's nor the MPC's have been given much of a role in airport planning.

However, with the possible exception of transportation, most State program areas show the influence in recent years of regional plans. A State planning office staff member pointed to the various areawide plans done under the EPA 208 program as an example where regional planning had enabled the state to stop the proliferation of sewer districts. Additionally, legislation now before the General Assembly would give DD's a major role in planning and management of solid waste. In 1987, the General Assembly gave the GNRC authority to review all projects that have regional impact including private projects.

Still, neither regional nor municipal planning organizations seem to have the authority to look comprehensively at the system of numerous independent water and sewer districts. Thus, while the relationships between state and regional agencies appear good, the results are mixed.

2. Are perceptions of infrastructure needs affecting the state's view of these agencies?

There was no clear evidence that the State's perception of needs is causing a change in State view of these agencies. There are two areas where both the regional and state agencies see a need for change, but it is too early to tell what role these regional agencies may be given.

The first area is proliferation of water and sewer special districts and the role of the seven watershed districts. The State is beginning a study that would look at the effects of these institutional arrangements on infrastructure costs. In part, this is an outgrowth of the 208 areawide water quality plans that were largely done by the DD's and that demonstrated the need to reduce the many units of government providing sewer services. Many of the DD's keep inventories of these facilities which are likely to be used in the State study. But, whether they will play a major role in the study or whether the results of the study will be to give regional agencies more authority in this area is unclear. Second, as mentioned earlier, the potential role of regional agencies in developing solid waste strategies is indicated in several of 45 bills on the issue of solid waste now before the General Assembly. Until legislation is enacted, however, the role afforded the regional agencies remains a question mark.

3. How has the role of regional planning agencies changed as funding sources and issues have changed?

Generally, the role of these agencies has continued much the same despite the loss of several categories of federal funds. The DD's seem to have had strong working relationships with both their members and the State in the 1970's that continue today. The Governor's designation of the DD's as both State and Federal Clearinghouse continues to provide at least the opportunity for discussion and comment on all projects.

Specifically, the change in federal funding and certain state responses have affected some of the individual programs. The loss of EPA funding appears to have caused the DD's to cut back on both air and water quality activities. The State has continued to pass through some water quality funds, but not the percentage of the total as previously. For industrial development, the DD's have a key role in helping members package grants for the state's one-time \$55 million program for industrial development, which is administered by the State's Community and Economic Development Department. The fund is meant to augment both EDA and CDBG funds.

4. Do these organizations play an effective role in the development of regional or State infrastructure?

Despite the early interest of the General Assembly in regional planning, these agencies have a limited role in key infrastructure decision making -- water, sewer, transportation. They have assumed leadership in a number of program areas, such as Aging, Housing, and even transportation management. Planning for many aspects of transportation and water quality does occur at these agencies, as well as

collection of data on basic public works. But, the decisions appear -- at the present time -- to be being made elsewhere. And the relationship of regional infrastructure plans to implementation is not clear.